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Sub-Saharan Africa SUPPLEMENT

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Kenya

* Wave of Banditry Prompted Screening of Somalis

34000898A Nairobi THE WEEKLY REVIEW in English
17 Nov 89 pp 19-20

[Text] The current screening of ethnic Somalis in Kenya may, on the face of it, appear unusual, but those anxious for an explanation probably need not go much further than the deterioration in recent months of the security situation in North-Eastern Province and surrounding areas. This has led to a resurgence in banditry which has, so far, resulted in the loss of numerous lives and much property. Only last September 5, bandits killed 12 travellers and injured 29 others when they attacked a convoy of three buses on a remote stretch of road between Gartuba and Bangale, about 100 km from Garissa town on the Nairobi-Garissa road. About 40 armed bandits were said by the police to have been involved. Their aim was said to be not only looting money and valuables from the passengers, but also capturing firearms from the police officers escorting the convoy. Similar attacks have become frequent in the province and have been causing increasing alarm in government. The sprawling nature of the region and its difficult communications network have combined to make the province a particularly formidable one to police effectively. The increasing lawlessness has led to the authorities' resorting to organising vehicles travelling to the North-Eastern Province into convoys escorted by the police. The province's bandits are invariably heavily armed, usually with sophisticated automatic weapons. This has fuelled suspicions within the Kenya government that the bandits are from, or may be working on behalf of the warring clans with currently bedevil neighbouring Somalia's politics, and which have left the regime of President Mohammed Siad Barre in an extremely tenuous situation.

This banditry has been accompanied, until very recently, by a critical poaching problem in Kenyan national parks, especially Tsavo. Before the recently-appointed director of wildlife conservation Dr Richard Leakey, began implementing the government's shoot-to-kill policy against poachers, the country was losing an average of two elephants a day to poaching. Much of this poaching was attributed to aliens and even soldiers from Somalia, a number of whom have been convicted in Kenyan courts. International conservation agencies have corroborated widespread suspicion in Kenya to the effect that Somali aliens, and possibly even their government, have largely been behind the poaching menace in Kenyan parks. Kenyan officials say that most of the poached ivory that has found its way into such international ivory centres as Hong Kong has tended to originate from Somalia. Somalia has, of course, virtually no elephant herds to sustain the volume of ivory it has been accused of off-loading on the illicit market. Again, most of the recent crop of poachers are hardly the bow-and-arrow local types of the past. The new poacher comes armed

with sophisticated rifles which local authorities are convinced are smuggled from across the border in Somalia.

North-Eastern Province leaders have been unanimous that banditry and poaching is the work of Somali aliens, a view which the government seems to support implicitly. In November last year, a minister of state, Mr Hussein Maalim Mohammed, who is the MP [Member of Parliament] for Dujis in Garissa District, made an important statement to the effect that aliens from a neighbouring country (no doubt Somalia) had infiltrated Kenya and proceeded to illegally acquire citizenship, later accumulating enormous wealth through the transport and haulage business, in clearing and forwarding, in export and import and in real estate. This money, he said, was being used to finance poaching and other illicit activities. Mohammed's remarks were supported by his Garissa colleagues but provoked some grumbling from Mandera MPs, who felt that Garissa leaders were implying that their Mandera counterparts were not sufficiently energetic in countering the infiltration. This suspicion arose from Mohammed's comment to the effect that some locals were aiding and abetting the illegal infiltration and registration as Kenya citizens. However, none of the province's leaders denied that such infiltration was taking place. A related statement implicating local Somali people was made by Leakey at the height of the poaching menace, saying that "these poachers cannot even speak Swahili and must rely on a few unpatriotic Kenyans."

Bandits and poachers have not been content with attacking travellers and elephants. Villagers and tourists have been frequent targets. In the course of this year, an American tourist, two Frenchmen and a Belgian have been killed by bandits roaming Kenya's game parks. These deaths have provoked much negative publicity overseas. Largely unreported have been the killings of large numbers of Kenyans at the hands of the bandits. Another highly publicised case was the unexplained killing last year of a British tourist in the Mara game reserve, Ms Julie Ward. But perhaps the most widely publicised incident of all was the murder last August of the world famous conservationist, the late Mr George Adamson, who was shot dead by a heavily-armed gang in the Kora game reserve in the Tana River District. The three suspects brought to court had Islamic names, but whether they are Kenya citizens or aliens has yet to be clarified. Not long afterwards and also in the same Tana River District, which borders the North-Eastern Province another gang ambushed a Catholic mission at Wema and killed a priest.

The present internal political situation in Somalia is largely to blame for the spillover into Kenya of heavily-armed rampaging gangs who specialise in banditry and poaching. It has become increasingly evident in recent months that the government of president Barre is no longer fully in control of events in Somalia. The clan-based system of alliances that the wily Barre has long relied on to remain in power has steadily been disintegrating. The Marjerten clan were the first to fall out with

Barre and form an armed force rebel movement known as Sodaf. The Issaq clan, who live predominantly in the north of Somalia, were next to fall out with the regime and form the Somalia National Movement (SNM). In recent weeks, events have also seen the powerful Ogadeni clan fall out with the regime. This has come as a major blow to Barre, for the Ogadeni constitute the most populous Somali clan. The Ogadeni have formed their own rebel movement, more powerful than the rest, called the Somali Patriotic Movement (SPM). Barre remains in power largely through the support of his own Marehan clan. In his government and army, his sons, in-laws and other close relatives hold the key positions. His son, Gen Maslah Siad Barre, is the army chief of staff. A son-in-law, Gen Suleiman Abdallah, is a senior minister in the government.

The proliferation of armed rebels in Somalia has had its spillover effects in neighbouring Kenya, whose ethnic Somali population contains components of the same clans found in Somalia itself. This is particularly the case with regard to the powerful SPM, led by Col Bashir Ali Salat Bilingo, and which operates mainly in southern Somalia in territory that borders Kenya's North-Eastern Province. The infusion of sophisticated weapons and the ensuing banditry in the North-Eastern Province has been linked to elements within these warring Somali factions. A most telling incident occurred last September when Somali forces attacked a remote police post at Liboi on the border with Kenya, killing four security men and stealing a cache of firearms and ammunition. The incident led to a major diplomatic row with Somalia, with President Daniel arap Moi publicly ordering Kenya's armed forces to pursue any other such attackers across the border. In the wake of Kenya's fury, a shaken Somalia sent its defence minister, Mr Hussein Sheikh Abdulrahman, to Nairobi to mend fences. The matter was being taken so seriously in Kenya that it was dealt with by the office of the President, not, as would be the case, by the foreign ministry. However, the bland communique released by both sides after their discussions pledged to "maintain close contacts, monitor, follow up and inform each other about the activities of bandits, poachers and other criminals."

Somalia's explanation for the incident, broadcast through Radio Mogadishu was that Mogadishu's forces were only pursuing armed rebels who were fleeing into Kenya. Somalia also implied that Kenya was giving sanctuary to the rebels. There were reports to the effect that Barre had secretly sent a senior aide, one Gen Mohammed Hashi Gani, to Kenya to try to establish contact with the SPM. The Kenya government neither confirmed nor denied these reports. It is not the first time, though, that Somali forces have violated Kenya's territorial integrity. Somali army incursions into Kenya have been fairly common this year. On February 20, Somali forces invaded the Sebule border area and Kenya's foreign ministry summoned and the Somali ambassador and lodged an official protest. The attackers, who, as usual, came heavily armed, wounded a number

of Kenyans and also killed six elephants. One attacker was captured with an AK-47 automatic rifle with 189 rounds of ammunition, and he was jailed for 14 years. He was said to be a Somali soldier, a claim which the Somali government vehemently denied, charging that he was instead a rebel.

If the intention of the current screening exercise of ethnic Somali in Kenya is to root out rebels whom Barre complains have sought sanctuary in the country, then the Somali government has every reason to be pleased. As for local Somali, some of them may find the exercise inconvenient, and probably even a discriminatory one. But the security factors involved appear to have led the Kenya government to decide that the move was imperative. Being a neighbour of Somalia and having a sizeable ethnic Somali population within its borders, Kenya can barely escape some consequences of the internal strife in Somalia.

* Law Society Criticizes Vetting of Somalis

34000898B Nairobi *THE WEEKLY NATION* in English
17 Nov 89 p 17

[Text] A considerable cross-section of Kenyans have reacted with dismay to the decision to subject the Somali community to special vetting. In general, what they have been saying is that the measure is discriminatory or unconstitutional. Among those critical of the exercise is the Law Society of Kenya (LSK), whose plea to the government urging the decision to be reconsidered had yet to elicit a response by the time *THE WEEKLY REVIEW* went to press. The plea was contained in letters the LSK sent last week to both the attorney-general, Mr. Matthew Muli, and the head of the civil service, Mr Joseph arap Leting. Among the local Somali community, the most prominent person to speak out so far is the secretary-general of the Supreme Council of Kenya Muslims, Mr Ahmed Khalif, who this week made an impassioned plea to President Daniel arap Moi to order a stop to the exercise. Khalif said that the exercise will antagonise loyal citizens of Somali extraction and affect their sense of belonging. He promised to defy the order to appear before a screening panel, adding that he would defend himself in court if prosecuted. What has particularly upset Khalif, and others opposed to the screening measure, is its selective nature. By picking only on Somalis, they say, a general blanket of suspicion has been cast over the whole community. Khalif may have been expressing the views of a considerable number in his community when he said that the screening should have covered all other Kenyans since, in all probability, there may be aliens in other communities who also need to be flushed out.

Criticism of the exercise has by no means been confined to Somalis. The Rev Timothy Njoya of the Presbyterian Church of East Africa has already spoken volubly against it, even going to the extreme extent of equating it with the persecution the Biblical Hebrews suffered in Egypt.

Also in the opposition is the publisher of the LAW MAGAZINE, Mr Gitobu Imanyara. In a statement last week, Imanyara said that the measure was unconstitutional and discriminatory. "If there are illegal aliens of Somali origin in the country, our laws contain abundant and satisfactory provisions for dealing with them in accordance with the law," said Imanyara. He added that the Registration of Persons Act did not contain provisions for selective treatment of any Kenyans.

Section Six of the Registration of Persons Act empowers the government to issue notice requiring "any person or class of persons in any particular area of Kenya to attend before a registration officer at such plea and between such dates as may be specified in the notice for the purpose of registering under the provisions of this act." Section Eight of the same Act states that "a registration officer may require any person who has given any information in pursuance of this Act or rules made thereunder to furnish such documentary or other evidence of the truth of that information as it is within the power of that person to furnish." According to the government, this Act provides the enabling provisions it used to effect the vetting exercise and which, in its view, makes the whole exercise legal. But the LSK has not been impressed with these explanations. In a statement released this week, the LSK disputes that the Kenya GAZETTE notice concerning the screening can come within the ambit of Section Eight of the Act "pursuant to which provision it purports to be made." According to the LSK, this section does not provide for the blanket manner in which the notice now seeks to apply it. The LSK position is that the Section is not intended to apply to communities *en bloc*. "This Section applies only to persons who have already given some information pursuant to the Act. Consequently, the Notice is *ultra vires* the Act on the basis of which it purports to have made and is unlawful and unenforceable. Likewise, any act performed pursuant to the GAZETTE notice is unlawful and unenforceable," the LSK says.

Besides the legal fine print, there has been the underlying question whether the order is constitutional. According to Section 82 of the constitution of Kenya, "no person shall be treated in a discriminatory manner by a person acting by virtue of any written law or in the performance of the functions of a public office and public authority." In the Section the expression "discriminatory" means according to different treatment to different persons due to their respective descriptions, which, among other things, include tribe. The LSK feels that the vetting order contravenes "the letter and spirit" of the constitution. It adds that any acts performed in pursuance of the order are also unconstitutional. Imanyara and Khalif also concur with this view.

The argument about whether the measure is legal and constitutional may not impress those who, like Khalif, are emotionally rather than theoretically opposed to the exercise and the legal niceties involved, and who have the implacable gut feeling that the measure is wrong and discriminates against them. Quite apart from the legal

angle, there is also the question of political ramifications to consider. One of these is the question of precedent, something which was touched upon by Imanyara in his statement. Also Khalif's outspoken concern that Kenya Somalis' sense of belonging may be affected does not sound far-fetched. However, in the opinion of Mr Noor Abdi Ogle, the MP [Member of Parliament] for Wajir South, the whole exercise is for the benefit of the Kenyan Somali community, for, he says, it will dispel all suspicions that they are involved in criminal acts. He once told THE WEEKLY REVIEW: "We are totally committed to Kenya. We have nowhere else to go and we do not want to get involved with Somalia at all. Kenyan Somali have suffered enough because of the association with Somalia and they do not want anything to do with that country."

* Few Debating Issue of Political Inheritance

34000898C Nairobi THE WEEKLY NATION in English
17 Nov 89 pp 7-8

[Text] When an assistant minister in the office of the president Mr John Keen, severely criticised the growing trend of political inheritance in the country, the matter made newspaper headlines. Not so much because political inheritance looked like becoming an established trend as because Keen became the first establishment figure to comment unfavourably about it. Keen's was strong criticism indeed of the concept of political inheritance, warning that the trend was setting a dangerous precedent for the country's future. Equally dangerous, Keen said, was the trend witnessed during the recent Kanu-Maendeleo ya Wanawake elections whereby a number of MP [Member of Parliament]'s wives were elected to Maendeleo posts. Both trends were dangerous, said Keen, because they promised to lead to a situation in which political power would be concentrated among a few select families. But that was not all, Keen raised even more eyebrows with his comments about the entry of women into national politics. According to the assistant minister, male politicians should guard against giving women too much leeway in politics on the grounds that women are dangerous when they get power. In an interview with THE WEEKLY REVIEW, Keen was even more chauvinistic, saying that African society has no room for women in high positions of political power and indicating that women should play only a subordinate role in politics.

Given the potentially controversial nature of Keen's remarks, it was expected that other politicians in the country would engage in a public debate on the issues raised by the assistant minister. But the reactions were few and far between. Exactly a week after Keen issued his statement, only four political voices had been raised in response. And only one of them, a former MP for Butere Mr Martin Shikuku, supported Keen on the inheritance issue when he told a press conference that "anybody who loves Kenya must support Mr Keen". Saying that Kenyans did not fight for Independence so

that MPs' relatives could inherit leadership positions, Shikuku said that "as long as I live I will resist feudalism to the last ounce of my strength".

Shikuku holds no political office, but those in political office who commented on the issue all disagreed with Keen. The sharpest criticism of Keen has so far come from the Nandi District Kanu chairman, Mr Mark Too, who issued a lengthy press statement on Monday this week questioning the basis of Keen's remarks. Too defended political inheritance on two grounds. According to him political inheritance arises from emotional circumstances where voters use the election of a dead MP's relative as a symbol of tribute to their deceased leader. "Mr Keen must remember", said too, "that black Africans usually have a lot of sympathy towards the family that has lost an important relative". Too added that the election of a dead MP's relative is, "usually a good comment on the standing of a dead MP among his people".

Too later told THE WEEKLY REVIEW that the election of MPs' wives to positions of leadership was tantamount to "bringing bedroom politics into national politics". Too's entry into the fray appears to have stirred some of the MPs involved in responding. The MP for Embakasi, Mr David Mwenje, whose wife, Isabella, was elected chairman of Maendeleo in the Embakasi sub-branch, called a press conference in which he launched a scathing attack on both Keen and Too. Mwenje defended his wife's election, saying that, like any other woman, she had a democratic right to be elected. According to Mwenje, Keen and Too were probably protesting because they could not get their own wives elected to Maendeleo posts. Equally perturbed was Mrs Eunice Kamotho, the secretary of Maendeleo's Murang'a branch and wife of the minister of transportation and communications, Mr Joseph Kamotho, who asked politicians to stop indulging in controversy over the Maendeleo elections. Too wondered whether Keen was also questioning the fact that such elections are democratically conducted, pointing out that so-called succession has always been achieved through free and democratic elections. Keen's remarks, said Too, did not hold water because no interested persons had been denied their rights to contest elections.

Not dissimilar views were expressed by the Mombasa District Kanu chairman, Mr Shariff Nassir, and the chairman of the South Nyanza County Council, Mr Elisha Chieng. While Nassir said that even the relatives of late MP had a constitutional right to contest elections, he went a little further to say that Keen's remarks indicated that he was against the government and that measures should be taken against him. Both Too and Chieng also wondered aloud which side Keen was on. "Keen is a minister in the office of the president", said Too. "Has he used his good offices to advice the government through channels open to him or did he only choose the publicity of the press?". The view by Nassir that Keen's remarks were anti-government may be part of the reason why the issue has not attracted much

comment from politicians, as there seems to be some confusion among them regarding whether Keen's remarks amounted to an attack on the government. Chieng, like Nassir, thought that Keen has forgotten that he is nominated to parliament and appointed to his post by the president.

In the face of criticism, Keen remained adamant, however, "I stand by what I said", he told THE WEEKLY REVIEW this week. "It is a good thing that other people are debating the matter and I congratulate them for that". While attacking Keen on the issue of inheritance, however, his critics were quick to point out their support for his views on the question of MPs' wives getting into political office. Too said that it is "the height of political greed" for an MP to expect the voters of his constituency to give his wife a job too. This is like eating the chicken and the eggs as well and I appeal to Kenyan voters to vote out such MPs and their wives also, at the next elections".

While the issue of political inheritance did not generate as much debate as expected, the most intriguing aspect of Keen's remarks was that his chauvinistic views about women in politics passed without much challenge. In fact, the only challenge came from Chieng, who actually called on Keen to resign if he held such negative views about women. Chieng told Keen that the involvement of women in politics was acknowledged throughout the world and that, in Kenya, the president had personally ensured that women participated more directly in politics and development. Other politicians simply skirted the issue and the fact that Keen's chauvinistic views despite being in sharp contrast to professed government and political policy, were left generally unchallenged seemed to suggest that politicians wither thought them to be so ridiculous as to be unworthy of comment or that they simply agreed with them. But the country's women leaders also kept their own counsel on the matter, a fact just as surprising as the silence of male politicians.

When contacted, an assistant minister for culture and social services, Mrs Grace Ogot, expressed disbelief at Keen's view on women and leadership. "I have just returned from abroad," she told THE WEEKLY REVIEW "and could not believe his eyes when I read newspaper reports on the matter". Ogot promised to issue a statement on the matter in the near future. A former nominated MP Mrs Rose Waruhiu told THE WEEKLY REVIEW she was also preparing a response. She wondered, however, why politicians were making a distinction between men and women leaders. "Are they women or leaders?" she asked, adding that, in the same way some men are born leaders, some women are also born leaders. Despite the slow reaction to Keen, the passion with which some of the responses are being made indicated that more ripostes to Keen's provocative views will be forthcoming.

*** Moi Outlines Conditions for Economic Recovery**
34000900A Nairobi KENYA TIMES in English
27 Oct 89 pp 1, 6

[Article by Ben Omoro: "Moi's Recipe for Recovery"]

[Text] President Moi yesterday urged African governments to take urgent measures to encourage local businessmen to invest more in their own countries.

The President also asked businessmen in Africa to ensure peace prevails as a first precondition for confidence in business. he said local and foreign businessmen would only invest in a stable country where their money is secure.

Opening the fifth meeting of the African Development Bank (ADB) President's Round Table of Businessmen in Africa, President Moi said, however, that Africa's development was primarily the responsibility of Africans themselves.

The African Development Bank group comprises the African Development Bank (ADB), the African Development Fund (ADF), and the Nigeria Trust Fund (NTF).

The group started its operations in Abidjan, Cote d'Ivoire, in 1966. By last year, the bank's membership had reached 50 independent African states and 25 non-regional states who joined the bank after 1982, when the governors decided to open up the capital for non-regional participation.

"Economic development must stem from local people," he said in off-the-cuff remarks after his official speech. He added that no country could claim to be strong economically unless its internal foundation was deep and strong.

Kenya was already working on new economic structures to induce local businessmen to invest in the country, he said, noting that any effort to attract foreign investment was bound to fail as long as local people are not interested in investing at home.

"If I were a foreign investor, I would first ask why local people are not investing," he said declaring that international investors were not fools. "They visit our countries and analyse for themselves how good our economies are."

President Moi praised the ADB for the work it has done, saying most people now had confidence in it.

But he also remarked that much remained to be done of building strong African economies. African countries had not done enough to encourage their businessmen to help do this.

African countries had not exploited their resources to the utmost, he said, adding: "I don't believe we are too poor to develop our economies."

The President said he hoped Africa could move fast to catch up with the rest of the world, and warned the continent might find it difficult to achieve growth of any kind unless they attract more investment.

Uncertainty loomed about what would happen after the more complete integration of the European market in 1992, though for now African countries relied on the Lome III which assured them a certain access to the European Economic Community (EEC) market.

The President also expressed worry that with the opening up of Eastern Europe to Western investment, Africa might lose out in the fight for international capital. "Those with money will go where the money is," he said.

He said Africans should not give room to quarrels, which [he] said, should be for small minds. Instead, he said, Africans should work to reduce human suffering.

Said President Moi: "You can't solve problems through hate, but only through humanity. We may be different in colour, but, with the right human spirit, we can move ahead as members of the human race."

The President, whose speech was received with much applause, also thanked the non-African shareholders in the ADB for helping the bank to do a lot for the continent.

"We must not be thankless," he said. "We are grateful, and we thank them for helping this continent."

Earlier, the President challenged African stock exchange experts to think of effective ways of developing capital markets on the continent to help mobilise investment sources, adds Daniel Kamanga.

It was a fact that the financial sector had suffered from colonial neglect in Africa. "The financial systems of African countries remained undeveloped for the better part of this century," he pointed out.

President Moi said the bank's meeting was an important forum to think about African solutions to the "unique problems" the continent faces.

Said he: "The temptation is always there for us to look elsewhere for solutions to the problems we face. This is simply because it is an option which requires the least effort on our part," adding: "The easy way out is often also the least effective."

On Africa's undeveloped financial systems, President Moi said most African countries had had to develop the sector in their short histories as independent nations.

President Moi hailed the ADB President, Mr Babacar Ndiaye, for having set up the Round Table of Businessmen in Africa.

*** World Bank Calls for Growth Rate of 5 Percent**

34000900C Nairobi KENYA TIMES in English
23 Nov 89 p 10

[Article by Eric Sagwe: "Kenya Gets Bank Report"]

[Text] Sub-Saharan African countries' economies must grow by at least five percent annually if they are to achieve food security, provide jobs and register higher living standards, a World Bank report presented to the Kenya Government has indicated.

The report, titled "Sub-Saharan Africa From Crisis to Sustainable Growth", was received by the Permanent Secretary for Planning and National Development, Mr Johnson Hungu at the bank's regional office in Nairobi, yesterday.

During the presentation, Mr Hungu said Kenya is aware of the need to adopt a long term perspective to ensure sustainable and equitable development. He added that the set of policies and priorities identified in Kenya's Sessional Paper No 1 of 1986 on Economic Management for Renewed Growth and in the Sixth National Development Plan, conform with the strategic development agenda in the report.

He said Kenya is encouraged by the bank's efforts to develop a frame-work so that "individual African countries can articulate their own long-term studies. Kenya is placing particular emphasis on the development of a human resource base and efforts to strengthen capacity building".

In the introduction to the report, World Bank President, Mr Barber Conable, observes that during the next decade, agriculture will be the main foundation for economic growth. "And for growth to be sustainable, major efforts must be made to protect, not destroy, the environment."

He further says that a central theme of the report is that although sound macroeconomic policies and an efficient infrastructure are essential to an environment for the productive use of resources, they alone are not sufficient to transform the structure of African economies.

He therefore, says major efforts are needed to build African capacities, to produce a better trained a more healthy population and to greatly strengthen the institutional framework within which development can take place.

The report attempts to provide a long-term perspective by looking back 30 years of economic performance in Africa and 30 years ahead. It is the products of a prolonged inquiry that has involved many African researchers, private businessmen and public officials, as well as representatives of donor agencies. The report is offered as a contribution to an ongoing debate on how Africa can best achieve its long-term goals.

The report suggests that to achieve food security, create some 350 million new jobs, and to register a modest

improvement in living standards for 1.1 billion inhabitants by the year 2020, the sub-Saharan economies must grow by at least four to five percent annually.

"For this growth to be possible, fundamental structural change is needed to transform the economies of Africa and make them competitive in an increasingly competitive world." It observes that while sound incentives and efficient infrastructure are essential to an enabling environment for the productive use of resources, great efforts are also needed to build African capabilities. In particular, expenditure on human resource development should be doubled.

The report indicates that a root cause of poor economic performance in the past has been the failure of public institutions. Private sector initiatives and market mechanisms are important, but they must go hand-in-hand with good governance—a public service that is efficient, a judicial system that is reliable, and an administration that is accountable to its public.

The report sets out a range of proposals aimed at empowering ordinary people, and especially women, to take greater responsibility for their lives—measures that foster grassroots organisation, that nurture and not obstruct informal sector enterprises and that promote non-governmental and other organisations.

The report says that previous such reports have called for increased aid, and adds that external finance must be matched by improved policies.

*** New Oil Exploration Agreement Signed**

34000900B Nairobi DAILY MAIL in English
16 Nov 89 p 28

[Text] Kenya still hopes to discover oil, the Minister for Energy, Mr Nicholas Biwott, said yesterday.

He said that although no concrete results had been achieved by the companies carrying out some drilling work, sufficient and encouraging geological information has been gathered.

Mr Biwott made the remarks after signing a new petroleum exploration contract at Nyayo House, Nairobi, with three major oil companies.

He said that the new contract would cover an area of 32,040 square kilometres in Mandera and Wajir districts.

"This will be a production sharing project with the group of the three international companies", the Minister said.

Mr Biwott signed the contract with representatives of Amoco Kenya Petroleum Company, Marathon Petroleum Kenya Ltd and Texaco Exploration Kenya Inc.

The consortium will be led by Total Exploratie en Produktie Mij, BV as the operator.

Those who signed the contract with Mr Biwott included Mr F. Castellani and Mr Pierre Six for Total Exploration, and Mr Jack Rosshirt for Amoco.

The Minister said that during the first four years of the contract, the consortium would carry out geological and geophysical work at a cost of Sh31.5 million.

"If the results are encouraging, the group will drill one exploratory well at a cost of Sh42 million", he said.

Subsequent work programmes would include further seismic survey and drilling of up to four wells at an estimated cost of Sh315 million, Mr Biwott said.

Mr Biwott recalled that since 1985, when the last contracts were signed, the oil companies had undertaken intensive exploration activities which had resulted in drilling nine deep wells.

*** Arms Smuggled From Uganda Spark Crime Wave**

34000899A *Nairobi DAILY NATION in English*
13 Nov 89 pp 1, 7

[Article by Moses Radoli: "Arms Smuggled in From Uganda"]

[Text] A Cabinet Minister said at the weekend that arms smuggled into Kenya from Uganda were being used in many killings and robberies in various parts of the country.

Speaking at Butula divisional headquarters in Busia, Minister Elijah Mwangale said: "Any danger against the security of the state will come through the border districts of Busia and Bungoma through which these weapons are smuggled."

Last month, police in Busia intercepted two Ugandans as they attempted to smuggle two hand grenades into the country. And last Friday, the Busia District Commissioner, Mr Barrack Aduwo, said police had arrested another four Ugandans suspected to have shot a teacher's wife at Sera Village, Nambale Division.

At the same time, police recovered automatic weapons and ammunition suspected to have been used in a number of raids by robbers.

At the weekend, Mr Mwangale, who holds the Livestock Development portfolio, said more weapons were getting into the country through smuggling along the Kenya Uganda border.

The Minister was officiating at a Harambee funds drive for schools in Butula. He helped to raise Sh1,634,009.90. He gave Sh100,000 from himself and friends. The area MP[Member of Parliament], Mr Philip Masinde, who was the host, gave Sh15,000. The Minister for Labour, Mr Peter Okondo, gave Sh6,000 while Mr Moody Awori, an Assistant Minister for Tourism and Wildlife, gave Sh3,000.

Mr Mwangale said "guns and grenades were being smuggled into the country through our common border. They are a threat to the security and stability of the state".

The Minister called for vigilance against the menace from the police, Kanu youthwingers, and administration officials. "Leaders in the border district," he said, "must educate wananchi on the dangers so that they can participate in helping to wipe out their (smugglers) activities."

On unity, Mr Mwangale said Mr Okondo and Mr Awori should demonstrate their unity to wananchi within the district by presiding over funds drives in each other's constituencies.

He told the two leaders who have been at daggers end since last year to stop their wrangles which affected unity in the area. He at the same time asked them to accept and respect each other's position of leadership.

"Mr Awori should accept and respect Mr Okondo as the area Cabinet Minister and, likewise, Mr Okondo should accept Mr Awori as the party branch boss.

*** Health Ministry Vexed by Drug Shortage**

34000317B *Nairobi KENYA TIMES in English*
14 Nov 89 p 6

[Article by Nyacuru Njongo: "Shortage of Essential Drugs Still Persists"]

[Text] Aspirin, a common and widely used pain killer, is in short supply in some government hospitals. This perhaps sounds warning bells about the probably acuteness of the current drug shortage.

But as has been experienced in the last 26 years, drug shortage is a perennial problem. And each time the problem strikes, the Ministry of Health somehow always manages to extricate itself.

In September, last year, the Ministry of Health decided to streamline the procurement and distribution of drugs. It was decided that the Government should no longer buy this commodity through the tender system. All the import licences that had been offered chemists—which under normal circumstances were being awarded tenders to deliver the drug—were revoked. The Ministry of Health henceforth resolved to buy directly from manufacturers, both local and foreign.

It was felt that some chemists which won these tenders were engaging in tactics that were tantamount to holding the ministry at ransom by abruptly adjusting prices without prior notice, delivering supplies late or sometimes not delivering at all. Such incidents led to unnecessary drug shortages. There was also the risk of procuring obsolete drugs—something that the Government strongly objects to.

The question of drugs being smuggled into neighbouring countries was another bone of contention. In effect, the

Government was losing millions in foreign exchange and at the same time grappled with the artificial shortage that was being created. It could therefore no longer condone the actions of a few people who were only interested in lining their pockets while society suffered.

Now, we have reason to believe that the Ministry of Health is betting all the drugs it needs since it is transacting with manufacturers directly.

So, the question is, where are the drugs going to? Have the loopholes the Ministry of Health intended to plug opened up elsewhere?

So far, the only pointer as to the cause of the mystery lies in the recent warning by the Minister for Health, Mr Mwai Kibaki to medical practitioners that he would strike them off the register of the medical profession if they were found reselling Government drugs.

If this is the case, it is nothing new. We still remember only too well the rampant corruption involving siphoning of drugs and other essential items from Kenyatta Hospital a few years ago.

Such drugs either found their way into private clinics, or landed in the hands of quacks and street vendors.

It looks like ethics within the medical fraternity in Government hospitals have yet again gone through the window. Patients are therefore bound to remain in a dilemma unless an urgent solution is sought. Now they are in an even bigger dilemma considering that the cost-sharing programme in health has started taking effect—with the recent announcement that there will be charges in all Government hospitals ranging from Sh10 to Sh300.

What many would like to know is whether drugs will now be freely available or patients will be required to meet these charges only to be issued with prescriptions to purchase drugs from chemists.

The 1989-1990 development plan states that there will be "safeguard for the genuinely poor and disadvantaged members of society" who will continue getting free medical services. Let us imagine the Ministry of Health will devise ways of gauging the genuinely poor and disadvantaged," but what will happen to them if they cannot get drugs in Government hospitals?

It is sometimes understandable when some patients share essential items such as beds. Sometimes it is even tolerable but lack of drugs—the one crucial item that the curative aspect of providing health services revolves around—is puzzling and most agonising to many patients.

It is even more agonising when some of these patients are confronted with a situation whereby they have to resort to chemists because the prices are too prohibitive. Grudgingly though, some of these patients opt to part with the money required to procure the drugs, no matter how squeezed they are.

For those who cannot afford, the hope that Government pharmacies will soon be stocked is the only things that sustains them.

But why are drugs so expensive? The Minister for Health Mr Mwai Kibaki is just as perplexed. Recently he caused quite a stir when he said that drugs only become expensive once they cross the border into Kenya.

It was also revealed that woe befalls those who choose to see private doctors even harder because of the high consultation fees.

However, chemist proprietors contend that they are just as concerned about the shortage and the escalating price of drugs. They argue that there can be no absolute solution to the spiralling prices because the Kenya shipping is too weak when pitted against such currencies as the U.S. dollar, the German deutsche mark and the sterling pound.

They also say that the duty and sales tax is too high. So in essence the consumer ends up paying dearly for the services.

It is impossible that local drugs manufacturing companies can provide all the drugs required. Interdependency with foreign countries in the provision of this commodity will therefore continue. And since majority of the people who visit Government hospitals are those without the means to attend private clinics—which they would prefer—then drugs should be available all the time.

Some bodies such as the Kenya Association of Pharmaceutical Industry, Pharmaceutical Society of Kenya and the Kenya Retail Chemists Association have argued that the decision to revoke import licences for their members is one major reason why there is a recurrent drugs shortage.

This might be partly true but it would not hold water for long given the fact that chemists have had the honour to provide the Ministry of Health with drugs before but a shortage has still been experienced. Sometimes the bureaucracy involved in delivering drugs was too long.

It has also been argued that sometimes the Ministry of Health makes projections that are not so accurate hence drugs run out before time.

Given the ever rising population could this be one of the contributory factors? If this is one of the reasons still an accusing finger would point at the ministry bearing in mind that it has the mandate to procure drugs directly from manufacturers—hence delays through the red tape are minimised. It would therefore not be expected that several days of drug shortage would run into months, which some people have to bear on top of some of the deplorable conditions in some Government hospitals.

At the moment this looks like a hopeless situation, both to patients and the medical personnel, and it is bound to

continue sticking out like a sore thumb unless the Ministry comes up with long lasting solution.

*** Farmers Angry Over Tea-Pricing Policies**

34000317C Nairobi *THE WEEKLY REVIEW* in English
17 Nov 89 p 25

[Text] As the Eliud Mahihu committee appointed last month by President Daniel arap Moi to look into the operations of the state-owned Kenya Tea Development Authority (KTDA) continued with its proceedings, there were reports to the effect that some tea farmers in Murang'a District had suspended tea-picking because they were unhappy with the amount of money paid by KTDA factories. The Murang'a district commissioner, Mr David Mativo, said on Saturday last week that the farmers had responded to his appeal to them to continue picking tea and delivering it to the factories. Tea industry insiders are watching with interest what the Mahihu committee will suggest with regard to the differential in the prices paid to tea farmers by the KTDA in the east and west of the Rift Valley region. It is a vexed issue and perhaps the most explosive one on the probe committee's agenda. Tea brokers say that it is the structure of pricing imposed upon the industry by the tea market which is difficult to change.

Unlike other commodities, tea is sold according to factory grades, and the situation in Kenya has been that the higher the altitude, the better the quality of tea. For example, estate sector growers like Brooke Bond get better prices for their tea from factories east of the Rift Valley than tea from the factories situated in the west. There is also the fact that the London market, which offers the best prices for Kenya tea, invariably takes premium teas, most of which come from factories in the east of the Rift Valley region, while teas from the west sell mostly in Karachi. In fact, past experience shows that the size of the differential in the prices the KTDA pays to farmers from the different regions depends on how much of the teas are sold in Europe, and how much is sold in Asia. Some industry insiders have proposed that the KTDA should work out a cross-subsidy system to reduce the differential in payments between farmers east of the Rift and those to the west of the region.

Unlike other commodities marketed by state monopolies, the market for tea is a perfect market, it is sold in auctions in Mombasa and London. The commodity is also sold by direct private treaties between sellers and buyers in Europe. Tea export re-sales by manufacturing factories have been on the rise; by July this year, factories had exported 93 million kilogrammes of tea, compared to 82 million in July last year. Of this year's sales up to July, 59 per cent was sold through the Mombasa auction, and the remaining through London auctions and private treaty sales. The Kenya Tea Packers Ltd., the only producer of tea for the local market, sold 10 million kilogrammes of tea between January and July this year.

There are indications that 1989 will be a bumper year in tea production and industry insiders have said that if last

year's figures are surpassed this year, the country may produce five million more bags of tea this year. On the global scene, it has been predicted that production will only be marginally higher at some 2.4 billion kg, an increase of 34 million bags.

Meanwhile, reports from Murang'a said that tea farmers in the district went on the rampage on Monday this week and destroyed nearly 2,400 kilogrammes of green tea leaves. The farmers, who were due to be addressed by Mr Eliud Mahihu, chairman of the presidential probe committee examining the operations of KTDA, chased away factory staff, broke into the factory and blocked the entrance with a log. The rampaging farmers then overturned a tea collection truck and dragged it for 15 metres to block the entrance to the parking yard where the probe committee was to meet them.

Uganda

*** Government Examining Country's Labor Laws**

34000902B Kampala *THE NEW VISION* in English
8 Nov 89 pp 1, 12

[Article by George Kawule: "Labour Laws Under Scrutiny"]

[Text] The First Deputy Prime Minister, Mr Eriya Kategaya, said over the weekend that government was examining the regulations governing trade unions and that in future differences between unionisable and non-unionisable employees should be abolished because they are all workers.

Kategaya was closing a drama and music competition presented by the women's wing of the National Organisation of Trade Unions (NOTU), at the Pride Theatre in Kampala.

Commending the performers, Kategaya observed that this was the first time Uganda women had come out so strongly to express their oppression by the social system. He added that this was the result of the democratic spirit introduced by the National Resistance Movement (NRM).

He said the performers had very clearly articulated the problems particularly faced by the Ugandan women workers. He told NOTU women that the main problem in Uganda which was responsible for their continued oppression, was the backwardness of the country's economy.

He therefore urged workers to expand the economy to supply the required economic and social needs to lessen the women's burden.

"For instance, if the economy could supply electricity and water, women's burden would be reduced and this would provide them more time for other productive work," Kategaya observed.

Drawing lessons from the performance, the First Deputy Prime Minister pointed out that such presentation should be shown on Uganda Television (UTV) because it was highly educative and entertaining.

He complained: "I have seen so many programmes on UTV which are absolutely useless."

He further told Ugandan women that in their crusade to liberate themselves, they should also liberate men's mentality to make them (men) respect the women as fellow workers with full respect to their rights.

Welcoming Kategaya, NOTU Director of Education, Mr Mike Onzi, said it was the Ugandan workers and peasants who in spite of the country's hostile post-independence history, had kept the country limping for the last 27 years.

Onzi pointed out that the Uganda labour laws were also bad that they were discussed in the June International Labour Organisation (ILO) conference when the country was accused of making no efforts to democratise labour. He said it was against this background that Uganda has not been mentioned in any of the ILO documents.

He added that while NOTU awaited the recommendations of a committee which was chaired by Kategaya to define a worker and recommend relevant democratic action, the organisation would strive to build the labour movement on four pillars.

The NOTU official named the four pillars as the workers' right to employment and association, security, freedom, and the responsibility of the workers which enabled them to produce and share their freedom.

Onzi said NOTU did not want to join the National Resistance Council (NRC) as a disjointed group. "We have always advocated for a strong and viable labour movement under one umbrella. We want one NOTU just as we want one NRM. We do not believe nor subscribe to sectarianism because history has taught us the evils of being divided," Onzi observed.

He recalled that sectarianism had killed both the Uganda Labour Congress and Federation of Labour in 1968.

Onzi strongly criticised the IMF structural adjustment programme, saying it had prompted economic policies which had particularly hit hard the workers and peasants.

He said NOTU regretted the increasing industrial strikes, but that these were the automatic reaction to how the IMF economic programme was hitting the workers.

He added that NOTU did not believe that devaluation was the only alternative to rectify the country's economic

situation. However, he reassured the deputy premier that NOTU's difference with the NRM over some of the economic issues was not necessarily due to opposition and animosity, but it was because of the difference in the approach to economic issues.

"Both NOTU and the NRM stand for democracy, national security, social justice, dialogue and economic recovery and development," he declared.

Onzi therefore appealed to government that in future it should invest in its social groups like the workers in discussions of the economic issues affecting the nation.

"In due course NOTU hopes to place at your table an honest and well researched alternative economic policy for further discussion," Onzi said.

He informed the deputy premier that NOTU had a well organised education programme which recognised specific problems and designed specific action to answer those problems.

Later Kategaya gave trophies to the winners. Out of 15 national unions affiliated to NOTU, only four missed the competition.

The main trophy donated by the Friedrich Ebert Foundation went to the Postal Workers Union; the second trophy went to Textile Union; and the third to the Plantation Workers Union.

*** EEC Grants \$30 Million for Kampala Water Project**

34000903B Kampala *THE NEW VISION* in English
8 Nov 89 p 12

[Article by Didas Bakunzi: "EEC Grant for Tea Sector"]

[Text] Uganda will receive US\$30 million from the European Economic Community (EEC), for funding the second phase of Kampala water supply system and repair of Kampala city roads.

And the commission is studying ways to provide funds to Uganda Railways Corporation (URC), for purchase of railway wagons, according to a press release issued yesterday by Uganda's Ambassador to Belgium, Mr Charles Katungi.

The EEC director for East and Southern Africa, Mr Giovanni Livi, said during a three-day joint African, Caribbean and Pacific (ACP)/EEC ministerial conference on Lome IV negotiations which ended in Luxembourg on October 29 that the commission was in the process of approving the US\$30 million, the release said.

However, Katungi regretted that the 66 ACP states representatives and 12 EEC states unfortunately concluded the deliberations without a final agreement because of the deadlock reached by the two sides due to unacceptable EEC trade package offered to the ACP states.

The unacceptable package covers, among other things, access of ACP agricultural products to the future European market. Protocols and special commodity arrangements, rules of origin and derogations, the trade aspects of maritime transport, trade in services and trade development issues.

The ACP states said there could be no final agreement on any of the above issues without indication from the EEC of the expected volume of financial resources.

The instruments of future convention, which could be used to mitigate the effects of the ACP states debt burden, the financial resources and methods to provide under the future convention structural adjustment support, especially those that could deal with the social consequences of this adjustment, the scheme that should be adopted to promote processing, marketing distribution and transportation of ACP commodities and the modalities for the promotion and protection of investment in the ACP states, were not negotiated and resolved, according to the release.

The conference, however, agreed to continue these negotiations at ambassadorial level and later at the presidential negotiations level, which hopefully would conclude in November this year to allow final signing in Lome, Togo in December this year.

Uganda's delegation to the conference included Mr Abbey Kafumbe Mukasa, Deputy Minister of Finance and Ambassador Katungi. Mr Katungi is also the ambassadorial negotiating spokesman for ACP states on regional cooperation.

In Luxembourg, Kafumbe-Mukasa told the British Minister for Overseas Development, Mrs Lynda Chalker, that Uganda attached importance to obtaining financial resources and appropriate technology to process its commodities in order to add value to them and find alternative markets in addition to the EEC one.

Minister Chalker pointed out the importance of the role of the private sector in development efforts of ACP states.

She felt that the proposal by the EEC on investment protection guarantee was an important one which the ACP states should take during the on-going negotiations.

*** UK Medical Group To Finance AIDS Research**

34000904B Kampala FINANCIAL TIMES in English
27 Oct 89 p 3

[Text] The British Medical Research Council (MRC) has pledged £2.5 million to finance the AIDS Research Programme in Uganda for the next five years.

The MRC shall also provide expatriate staff to support the national input. The team, is expected to work in collaboration on the project with the Ugandan Viral Research Institute (UVRI), Makerere University and the AIDS Control Programme (ACP).

Research Programme was launched a week ago at Kyamulibwa in Masaka district with the full support of the British High Commission and Senior Ugandan Government officials.

The MRC is the main British Government agency for the support of biomedical research and is funded by the British Government. The launch of this programme follows a request from the Ugandan Ministry of Health in 1987 for assistance in the AIDS research field. The agreement to this effect was signed a year later.

The studies are expected to provide important information on the factors affecting the incidence and spread of AIDS, and the attendant Virus (HIV), in a rural setting.

They will it is hoped help to guide AIDS control strategies in Uganda. Such studies are being undertaken in urban settings elsewhere—but it is thought this is the first such rural based study anywhere in the world. It is being undertaken with the cooperation of the local community who it is hoped will benefit both from the studies' findings as well as from shorter term improvements to the local health services.

*** Country's Orphans Estimated at 1.5 Million**

34000904A Nairobi DAILY NATION in English
24 Nov 89 p 19

[Text] Two decades of political instability and the dreaded disease Aids, have created over 1.5 million orphans in Uganda, the country's Ministry of Rehabilitation and Social Services has revealed.

The majority of orphans are in the Luwero Triangle, where President Yoweri Museveni's National Resistance Army [NRA] waged a five-year bloody guerrilla war against former President Milton Obote. Other orphans are in the north-eastern Uganda where NRA has been fighting rebel groups since 1986.

Aids too has killed thousands of parents, especially in Rakai district, leaving behind an estimated 40,000 orphans. Since Aids was first diagnosed in Uganda seven years ago, thousands of Ugandans have died, while Aids cases have risen to a total of 7,772 by mid this year.

Though Ugandan Government has pledged to support all orphans in the country, currently there are very few of them being catered for. There are 52 orphanage centres throughout the country and a majority of them are run by non-governmental organisations, including religious groups.

The government is encouraging the extended family system, in the hope that people might absorb the orphans and where possible adopt them. "Foster parents who come forward to adopt the orphans will be provided with material assistance and agricultural implements such as hoes and seeds," John Otim, the ministry's public relations officer told APS. This as opposed to orphanages helps children to grow in a family and more social atmosphere, Otim added.

On its part, the Uganda Women Efforts to Save the Orphans (UWESO) is constructing a \$200,000 home in Luwero triangle, where orphans will live in "a typical and realistic village life."

According to UWESO chairperson, Mrs Yusuf Lule, her organisation is currently caring for some 80,000 orphans, 3,000 of whom are in schools. She revealed that UWESO will send about 300 orphans to study abroad next year.

"The aim of UWESO is to help these children to grow up in happiness, pride and confidence," she told APS.

Meanwhile, a Germany charity organisation, SOS Herman Gmeiner Foundation, is building a \$3 million complex at Kakiri, 17 miles north west of Kampala to cater for the orphans.

According to the organisation's representative in Kampala, Hans-Dieter Gerlitz, the complex will comprise 12 family houses with nine orphans in each. The village will be self-sufficient with both schools and health facilities.

"We want our children to go through our kindergarten and primary schools. Talented ones will be given scholarships to proceed to higher schools in and outside Uganda," Gerlitz said.

The foundation will provide the complex with funds at the beginning. However, the ultimate aim is to make the complex self-sufficient or cease to live on foreign funds. The first SOS children complex was built in Australia in 1949 after the Second World War.

Angola

* Energy Cooperation With Brazil Explored

90EF0117A Lisbon DIARIO DE NOTICIAS
ECONOMIA
in Portuguese 4 Dec 89 p 6

[Report by Brasilia correspondent Jose Fonseca Filho]

[Text] A technical team from Angola will travel to Brazil sometime this year so that its members may learn more about Brazilian experience with electricity legislation, and identify potential areas in which the two countries might cooperate in the field of energy.

The agreements covering this cooperation were initialed recently by [Brazilian] Minister of Mines and Energy Vicente Fialho and by Angolan Minister of Energy and Petroleum Zeferino Cassa Yombo, who was in Brazil to visit Brazilian projects in the petroleum, petrochemical, and electricity areas. The Angolan minister was accompanied at the meeting with Fialho by Joaquim David, president of Sonangol (Angola's government petroleum company) and by Paulo Mattos, director general of Sonefe (a government electricity utility in Angola).

During the meeting, Yombo reported that the Capanda hydroelectric plant being built by the Brazilian company Construtora Norberto Odebrecht would begin operating in 1992. The Angolan official also said that Sonangol and Braspetro (subsidiary of the Brazilian Petrobras [Brazilian Petroleum Corporation]) are working closely together in prospecting and drilling for oil in that country. Angola, according to Minister Yombo, is now producing 470,000 barrels of petroleum a day, of which only 33,000 are used domestically. This makes Angola a sizeable exporter.

Minister Yombo said it is likely that Sonangol and Braspetro will work even more closely together in the future, because of Brazil's experience in deep-water prospecting and drilling of petroleum.

* Plans To Revitalize Agricultural Sector Noted

90EF0117B Lisbon DIARIO DE NOTICIAS
in Portuguese 30 Nov 89 p 34

[Text] Angolan officials acknowledged during a seminar being held in Luanda that they had made mistakes in the past in terms of agricultural policy. Now they are proposing free enterprise for the peasants. This new decision was presented in the course of an analysis of agricultural strategy for the next 5 years, presented by a distinguished Party member, Andre Pitra, "Petroff."

"It becomes necessary to radically change the Party's position towards the countryside and to renounce stereotypical work methods," he said.

"Prior to independence, the Angolan peasants played a vital role in commercial production of foods," the agricultural policy coordinator said at the opening session of the meeting, attributing the present crisis to "structural and administrative errors."

Domestic cattlemen once supplied the internal market with 120,000 head of cattle every year, and production of pigs and goats flourished. The rural marketing system was maintained, until independence, by small Portuguese firms whose owners later left Angola because of the war.

"During the first years of an independent Angola, we did not take that situation into account and so we made mistakes which drove the peasants out of the market economy," Petroff admitted.

Beginning in 1975, top priority was given to the government-operated sector of farm production, and that sector came to receive almost all the human, material, and financial resources.

"The insufficiency of domestic production forced the state to spend enormous amounts of foreign exchange to import cereals, vegetable oil, sugar, and other products," the official charged.

The secretary of the Central Committee of MPLA-PT (Popular Movement for the Liberation of Angola) for this branch of business argued that from now on, the state should simply furnish diversified assistance to the various forms of production, leaving the farmers freedom to maneuver.

The state must offer training in all the areas of farming, primarily directed to the younger farmers and the sons of peasants, the official maintained.

Referring to the new policy for the countryside, the official expressed the opinion that "the Party's strategy should be concentrated on promoting measures and methods intended to encourage the pursuit of free enterprise by the peasants."

Mozambique

* President Chissano Visits Sussundenga District

90EF0114B Maputo NOTICIAS in Portuguese
24 Nov 89 p 1

[Report by Felisberto Matusse]

[Text] In two separate ceremonies yesterday in Sussundenga, a district in Manica Province, President Joaquim Chissano inaugurated a branch office of the People's Development Bank (BPD) and the region's Rural Market, which had been organized for the first visit by the Mozambican leader to this part of the country. While at the bank, the chief of state made a symbolic deposit of 25,000 meticals, which made him the first depositor in the new branch office.

In turn, the BPD made a grant of 2 million meticals to the district, to build a school. The Mozambican leader also spoke at a people's rally in Sussundenga, which was attended by more than 20,000 persons. He urged those present to make maximum use of the instruction being given by the Italian technicians who are working there, so that they can produce more on less land and end the country's dependence on foreign sources of food.

Accompanied by Political Bureau members Pascoal Mocumbi, Jorge Rebelo, Feliciano Gundana, and Rafael Maguni—respectively minister of foreign affairs, secretary of the Central Committee for the Ideological Work of the Party, minister in the presidency, and governor of Manica Province, Chissano also visited the Sussundenga Beekeeping Station.

Sussundenga District is located 40 km south of the provincial capital. Its population, according to the 1980 census, exceeded 45,000. Now 37,216 people live there; 20,970 of them in the district seat, which has a higher population density.

At the rally held in this district, where farming—especially corn, sorghum, sunflowers, sesame, garlic, and wheat—is the primary economic activity, Chissano followed in Manica what has become his standard procedure since his visits to Zambezia, Sofala, Tete—he listened attentively to what the people had to say about the problem of the war in Mozambique.

More than 20 residents were given an opportunity to contribute their ideas on this serious problem. All shouted "No!" when asked about sharing power with the armed bandits, and their reaction to the possibility of forming more political parties was the same. At the same time, citizens asked for additional weapons with which to defend themselves against raids by the armed bandits.

"Dhlakama is a man. We are men, too. We need weapons to be able to deal with Dhlakama and his men. We must not hand the country over to the armed bandits, or hold talks with them. I'm asking for weapons to fight them with," said a resident of the 3 February village, who added that the Amnesty Law was decreed to help them. "If they won't accept amnesty, then it would be better to repeal that law and let us keep on fighting," he said, vehemently.

After describing the nature of the armed bandits, the steps taken by the Mozambican Government to resolve the problem of the war in this country, and the way that the Renamo [Mozambique National Resistance] ring-leaders have manipulated the 12 principles announced by his government last July, Chissano explained that Renamo is demanding recognition as another Mozambican political party as its basic condition for stopping the violence.

Chissano asked the people what they thought about this subject and Renamo's position—which implies that

Renamo plans to share the government with Frelimo [Mozambique Liberation Front]—and the answer was a resounding "No!"

One of the citizens who rose to speak stated that "Dhlakama must never think about setting up his party in Mozambique, because he has already committed many crimes. He has killed a lot of people, slashed women's breasts, cut off ears, lips, and fingers and often forced the victims to eat their own body parts. He has killed pregnant women, children, men, the young and the old. As citizens we cannot accept any party led by Dhlakama. If he wants to build a party, he'll have to start by resuscitating the people he killed."

Another citizen answered the question from the chief of state as follows: "The only place where Dhlakama will be able to build his party are the districts where he hasn't yet committed any murders, vandalism, or kidnappings—the districts he has never attacked. It's only after killing a lot of people, cutting lips and breasts, and murdering children, that he is starting to think about setting up his party. We here in Sussundenga will not accept Dhlakama's party."

Many others in the crowd spoke up at the Sussundenga rally, but all of them gravitated to the same position, with minor variations depending on the speaker's ability to express himself.

Dhlakama Wants To Seize Power

Summing up what the public had said, President Chissano said that what Dhlakama wants to do is snatch power from the hands of the people.

He characterized the armed bandits as a disease that has many different names. "They're called armed bandits, Renamo, Matsangaissa, Dhlakama, destabilizers, lackeys, assassins—in short, a whole bunch of names but all of them refer to the same disease."

According to the chief of state, if it were not for this disease which afflicts the entire country, many other diseases—hunger, unemployment, nakedness—could easily have been treated, but the armed bandits make it impossible.

The result is that the armed bandits have put the country in a position of dependence on others. "We have no other way out. Either we die, we live like slaves, or we have to fight to put an end to this dependence," Joaquim Chissano said.

Citing as his example a former traditional chief who is now responsible for the 10 houses in the village of 3 February and who was at the rally, the president emphasized that the former chiefs and rulers can, if they conduct themselves properly and respect the people, and if the people admire them, be elected deputies at the various levels—from the local assembly, the district administrative post, and the province, on up to the People's Assembly.

The same thing could happen if they decide to seek membership in the Party. What matters is that the individual accepts Party objectives, that he is familiar with its bylaws and platform, and fulfills his duties like any other member.

Sussundenga, whose district seat has never been under the control of the armed bandits, has 20 schools that teach through the 7th grade. It also has six health clinics, three of which were opened last year.

The district has 2,874 displaced persons, distributed among different settlements. All the headquarters of the administrative posts are functioning, although the office at Rotanda was destroyed during Smith's war.

According to the district administrator, the armed bandits have tried to occupy the headquarters of the administrative post at Dombe.

Industry in Sussundenga is limited to grinding mills, since the Mavuze power plant is still being restored. The asbestos mines—the Movita general mines—have been closed because there is no market for this mineral, either domestically or abroad.

* Gaza Governor Visits Limpopo Agricultural Area

90EF0114A Maputo NOTICIAS in Portuguese
24 Nov 89 p 3

[Text] A delay in farmers' preparation of the soils in Languene, Jovucaze, Gumbane and Muzingane (the valley on the right bank of the Limpopo river) areas in the Gaza district of Xai-Xai, may reduce the size of the harvest in the first round of the present crop year, according to explanations provided First Secretary and Governor of Gaza Province Francisco Joao Pateguana during his visit to that agricultural zone in the second week of November.

Governor Pateguana, who was accompanied by Xai-Xai Administrator Moreira Mondlane, by the director of agriculture in Xai-Xai, members of the Party, and the head of the provincial rural extension service, visited the collective farms in the family, private, and cooperative sector in order to see what the peasants are doing to prepare for the 89/90 agricultural campaign.

Most of the farms visited are worked by the residents of the communal villages of Chicumbane, 3 February, and Julius Nyerere. These people were forced to leave their native lands in 1977 because of the flooding of the Limpopo.

During the visit, the peasants reported that they have not yet started to prepare the fields for this crop year because they are still involved in harvesting the second crop of corn from last year. The lack of rain in the zone, according to the farmers, has also discouraged them from starting the work.

The governor was told about the shortage of tractors and teams of oxen that have prevented peasants from cultivating more land, and about the difficulty in finding means to transport the harvested products to market. Even so, good results were obtained with corn during the latest campaign. The amount harvested will take care of both the commercial market and family needs.

In his conversations with the peasants, Pateguana praised their efforts in battling hunger. He appealed to them to speed up the field work so as to be able to plant seed as soon as it rains, in order not to compromise 1989-90 production.

"This business of waiting for rain may come to an end because the government is studying ways to set up an irrigation system in the zone," said Pateguana, adding that in preparing the fields, peasants should be sure to set aside pastureland for the cattle.

Other Recommendations

The governor recommended to the Xai-Xai district government agencies that they coordinate with the officials in the districts of Chokwe and Mabalane to arrange for bringing the cattle to be marketed, as well as the corn produced in the Limpopo valley. (The people in those districts are not producing effectively because of natural disasters). Governor Pateguana also recommended a heightened state of alertness on the part of the public in order to neutralize the enemy.

The governor also visited the Agricom [Agricultural Products Marketing Company] posts at Languene and Jovucaze, the Gumbane Agricultural Association, the Muzingane Pumping Station, and the Agricultural and Ceramic Cooperative in the village of Julius Nyerere.

At Agricom, Pateguana recommended that during the marketing campaign the organization should give priority to selling farm implements, soap, beverages, and other articles that are important to the individual farmers. The association was advised to grow vegetables in order to ensure that it will be able to buy the equipment it needs; right now it has only one truck and a tractor.

The same day, Pateguana visited a bridge over the Lumane river that was recently built to facilitate travel between Xai-Xai and Barra do Limpopo. Another bridge over the same river is under construction near the collective farms; however, it will be used only by pedestrians, since it was not designed to handle vehicles, the person responsible for the project said.

It was observed that peasants have not been cleaning out the drainage ditches in the area. The governor told the head of the Chicumbane administrative post that he will make another visit soon, in order to encourage the cleaning of those ditches.

Private farmers Julio Chichavane Bila and Hochanhane Antonio Bila from Jovucaze, and the peasants from the

Gumbane Agricultural Association presented Governor Pateguana with three bags of corn, butter beans, onion, garlic, a young goat and a ram.

* Recent Overtures Toward Negotiations Noted

90EF0119B Lisbon O DIABO in Portuguese
5 Dec 89 p 12

[Excerpts] Portuguese-speaking Africa is changing, after having already changed—disastrously.

For example, a report has reached us that the peace process in Mozambique may undergo an "historic acceleration" with the announcement of a "secret" meeting between Chissano and Dhlakama, said to have been held in Nairobi at the end of last week. We were unable to confirm whether the meeting actually took place, but it is true that "by coincidence" the leaders of Frelimo [Mozambique Liberation Front] and Renamo [Mozambique National Resistance] were both in the capital city of Kenya at the same time, supposedly to make contacts with the intercessors for peace, under the auspices of the Mozambican church.

A Constitution for Mozambique

We did, however, find out that the jurist who was approached to prepare a draft constitution for Mozambique in the event of a "pluralist" transition period is Andre Thomashausen, professor of law at Unisa (University of South Africa) in Pretoria. Thomashausen is German by birth but lived in Portugal for 20 years, studied law in this country, and published several specialized monographs here—including a systematic interpretation of the 1976 Constitution of the Portuguese Republic. He had connections to Renamo but only as a "technical consultant" and apparently has seen his relations with "official" South African political circles deteriorate recently, although he is still highly-respected as an academic throughout the country and has friends on the State Security Council (whose powerful secretariat has now been "purged" by De Klerk).

When Thomashausen traveled to Portugal recently at the invitation of the IEP [Portuguese Electrical Engineering Institute] and Lusiada University, he spoke on the subject of constitutional systems in black Africa and mentioned some old acquaintances, such as Miguel Galvao Teles.

Thomashausen's name appears to be "acceptable" to both the top people in Renamo and the "new" leadership of Frelimo. [passage omitted]

Maputo Again

Returning to the subject of Mozambique, we note the no longer secret—in certain circles—trip to Nairobi made by an undetermined number of officers of the SIM (Military Intelligence Service, or Dinfo [Military Intelligence Division]), including Brigadier Xisto Rodrigues. There they met with Afonso Dhlakama and discussed the position Renamo would take if Portuguese forces were to

begin undertaking "basic security" missions in Mozambique. Dhlakama reportedly said that there would be "cooperation," provided that those same forces did not enter into military actions against his movement. Several men in Renamo, as well as in Frelimo, have served in the Portuguese Army, and some people in Maputo—now far from the seat of real power—feared that this "tie" could work in favor of Portugal under current circumstances. But Chissano appears to be more "pragmatic."

It is also being said that it is highly probable that the first South African embassy on the black continent will be opened right there in Maputo, the city that was once the sparkling Lourenco Marques.

* Country's First Foreign Exchange Bank Opened

90EF0119A Lisbon DIARIO DE NOTICIAS
ECONOMIA
in Portuguese 4 Dec 89 p 10

[Text] With a deposit of \$5,000, the Embassy of Portugal in Maputo became the first client to open a foreign exchange account at the Standard Totta Bank of Mozambique [BSTM]. This act, which took place on Wednesday, brought an end to the 12-year monopoly enjoyed by Banco Nacional.

The governor of Bank of Mozambique, Eneias Comiche, said on witnessing this formal gesture by Portuguese Ambassador Francisco Knopfli that by authorizing this competition, his administration hopes to fulfill the objectives of the economic recovery program, to be pursued via profound changes in the economic, financial, and social structures of this country.

"Certain actions will be taken in the Mozambican financial system in the context of these reforms. Special attention will be given to the activities of the banking system, which requires certain improvements for the sake of greater efficiency if it is to help to strengthen the physical and financial economy of this country," Comiche explained.

The Mozambican official acknowledged that it was the economic problems experienced in this country over a period of several years that led the government to reconsider the decisions to centralize the exchange system and the rules for making payments abroad.

"It was in this context that the government authorized Standard Totta of Mozambique to engage in the foreign exchange business in the area of current invisibles, and to encourage the opening of foreign-currency savings accounts by nonresidents." [closing quote supplied]

Comiche maintained that this decentralization "will result in a series of benefits to the economy and to society, as available savings are mobilized for investment in productive activities. This will help reduce speculation, an activity that benefits only minority groups."

Although forbidden to Mozambican citizens, this exercise is intended, according to the governor of Bank of Mozambique, to "ensure that inflation is combatted by cutting the cost of funds through competition, and by reducing the differentials between the parallel and official market rates."

Antonio Galamba, administrator of BSTM, explained to the journalists that the conditions imposed on Mozambican citizens were conceived by the executive branch in Maputo, and even apply to the directors of Standard Totta themselves, who will have to make their foreign exchange deposits with Bank of Mozambique.

Galamba emphasized that BSTM is a private institution. Its capital is distributed among Totta e Acores (30 percent); Fonsecas e Burnay (10 percent, administered by Totta e Acores); Standard Chartered Bank (35 percent); and Standard Bank of South Africa (5 percent). The remainder is "pulverized among 420 other shareholders."

"The Mozambican portion of the share capital probably represents from 6 to 7 percent," the bank officer added, after stating that initially, owing to problems of "security and verification," the bank's activities will be restricted to its head office in Maputo.

In statements made following the ceremony that marked the end of a 12-year monopoly in the foreign exchange market in Mozambique, Galamba said that traders on the South African parallel exchange market are to use this for converting rands into U.S. dollars.

To support his conclusion, he noted that Bank of Mozambique has estimated that 90 percent of the paper currency it releases onto the market do not return over the bank's counters. Meanwhile, it repatriates several millions of rands, sometimes as often as every week.

The BSTM administrator said that this is one of the problems it will have to begin dealing with now when it opens its doors to foreign-currency accounts and begins dealing in exchange. These services will be available to embassies, consulates, and foreign institutions and individuals residing in Mozambique.

"The dollar is quoted on the South African black market at more than 4 rands, while in Maputo 3 rands is the highest quotation. That's the reason for the movement we're seeing now," he explained.

Galamba said that he understands why "truly Dantesque scenes" have been played out at the foreign exchange counter of Bank of Mozambique—where there are more than 10,000 accounts—because of the brutal workload on bank employees.

Furthermore, he said "people tend to forget about the peculiar characteristics of the system in Mozambique where we work in rands and, basically, in dollars. Nearly all other banking markets work in their own domestic currency."

"Banks here are supplied by bookkeeping entries, by telex, or by checks. People bring the documents with them in their pockets, or notices arrive by machine ordering the bank to make 'x thousand dollars' available to so-and-so. Then people want those thousands of dollars handed over to them immediately in the form of paper currency," he said.

Galamba believes that Standard Totta is in "an even worse position than Bank of Mozambique" since it has been prohibited from dealing with the duty-free shop, Petromoc [Mozambican National Petroleum Company], and Mozambican Airlines, usually sources of some funds.

He emphasized later that the situation in Mozambique is not that of a typical "healthy economy," where dollars enter one cash fund while domestic currency—or, very occasionally, some dollars or other foreign currency—flows out of the other, with banks forced to repatriate the foreign exchange to its country of origin.

"Here we have the opposite situation: Every day we face tremendous difficulty in handling the siphoning of dollars, but not of rands," he remarked. "From a purely technical standpoint, ignoring the political implications, it might be a good idea to ban the circulation of dollars because there are so many rands on the market," the BSTM officer suggested.

Galamba revealed that he has concluded a contract abroad with a certain company, not identified, to supply the paper currency. However he said that despite the firm's ability to furnish millions of dollars every month, restrictions imposed by the insurance companies have held up implementation of the procedure.

* Official Discusses Urban Electrification

90EF0114C Maputo NOTICIAS in Portuguese
24 Nov 89 p 3

[Text] Jose Lopes, an engineer in the Department of Energy, Ministry of Industry and Energy, says that capacity does exist, at the national level, to bring electricity to 40,000 homes in the various urban centers of Mozambique except for the cities of Inhambane and Pemba, where electricity is available only from generator sets. This action is part of the Domestic Electricity in Urban Areas Program, to be carried out in 1989-94 using \$65 million in credits made available by the World Bank/IDA [International Development Association], the Arab Bank for Economic Development, the Nordic Development Fund, and the Danish International Development Agency (Danida).

An important aspect of this program concerns the creation of small and medium-sized companies that would set up local and regional electric generating facilities. These could encourage urban electrification and consequently enable the Mozambican electric company to

concern itself exclusively with supplying electricity to the consumer and maintaining its own electrical installations.

Our source explained that, given the flood of individuals requesting services from Electricity of Mozambique, the firm has departed from its primary role and thus in some cases left consumers and future electricity users without any opportunity to access its utility services.

After noting that there are firms that will set up electrical facilities, but charging exorbitant rates, engineer Lopes emphasized that "through this program we want to call the attention of those technicians, or mere part-timers, to a guaranteed market. For the next 5 or 6 years, there will be jobs for all of them in the electrification of these 40,000 homes."

The reason for interest in those men is to incorporate them into the dynamic world of small and medium-sized companies where they will gain specialized skills and management ability and have excellent chances to advance in their field. It is hoped that, by creating these companies, it will be possible to attract those men to operate in the official economy, where they will be given special attention in the form of bank loans to purchase tools, measuring instruments, and vehicles to use in their work.

"These two mechanisms—security in terms of a market for their skills, and the furnishing of bank credits, could be enough to attract a reasonable number of individuals to come and set up those companies," Lopes added.

Furthermore, according to the government engineer, consideration is being given to ways to make it feasible to issue licenses and permits. Such a measure could be a strong determining factor in the establishment, in the near future, of small and medium-sized firms that would set up electric generating facilities in the various regions of Mozambique.

Also under the Domestic Electricity in Urban Areas Program, the Department of Energy expects to conduct training in business management and administration, and in materials and projects control. "We believe that this type of policy is very important and could bring about a surge in the formation of private companies, thereby assuring employment for a certain number of individuals, who would find an unlimited market for their services. After these 40,000 homes have been provided with electricity, there are many others awaiting the opportunity," Jose Lopes stated.

Another aspect, not so much at the level of small and medium-sized enterprises, is the provision of more sophisticated services, especially maintenance of electricity distribution systems and the building or expansion of the power supply network.

Engineer Lopes also said that Electricity of Mozambique should take a look at the various cities to see where it might be able to build and expand the electric power

supply network, in addition to operating and maintaining its existing systems. If the utility feels it will be unable to do the work in those cities, it could award the jobs to domestic firms.

The process of acquiring the material and equipment needed under the Domestic Electricity in Urban Areas Program also entails observing criteria that encourage local industry to participate in bidding to supply the materials needed for this undertaking. "Our view is that an industrial base already exists that is able to serve some components of the program," Lopes stressed.

Namibia

*** Nujoma Says Walvis Bay Must Be Handed Over**
34000909A Johannesburg THE STAR in English
16 Nov 89 p 11

[Text] Windhoek—Ownership of Walvis Bay has already arisen as an issue which could sour relations between South Africa and an independent Namibia.

Swapo [South-West African People's Organization] president Mr Sam Nujoma, earmarked as the first Namibian president, said yesterday that Namibia would never recognise South African control over the enclave of Walvis Bay.

Such recognition would be against international opinion and would amount to endorsing an act of colonialism, he said at the party's first formal media conference since its election victory was announced.

Swapo's policy was that the town had to be handed over to the people of Namibia, he said.

Walvis Bay has belonged to South Africa since union in 1910. It was formally annexed by Britain in 1878 and passed into the hands of the British Cape Colony. It is the only major port on the Namibian coastline.

The South African Minister of Foreign Affairs, Mr Pik Botha, said in Pretoria yesterday that the status of Walvis Bay had never featured during any of the international settlement talks.

The use of Walvis Bay by an independent Namibia may, however, be discussed, he said.

Mr Nujoma also accused South Africa of deliberately stunting food production in Namibia so as to use the territory as a dump for surplus fruit and vegetables from South African markets.

Swapo believed political independence without economic independence was not possible, so its first priority as a government would be to encourage agriculture and rehabilitate fishing resources in order to feed the nation.

Mr Nujoma said it was the responsibility of the constituent assembly to move speedily so as not to delay independence any further.

It emerged yesterday that the major parties share the goal of independence as soon as possible, and some Namibian politicians would like to see independence by Christmas. The target date had earlier been set as April 1.

Summit Meeting

Mr Nujoma travels to Lusaka today for a summit meeting of leaders of the Frontline states convened to discuss the implications for southern Africa of Namibia's election results.

- The leader of the Conservative Party [CP], Dr Andries Treurnicht, has said his party, together with the South African Government, has always rejected Swapo as a communist-inspired organisation.

The CP has supported military action in Namibia for years in an effort to prevent Swapo from governing the territory but the organisation has now been allowed a foothold in Namibia.

* Future of Walvis Bay Becoming Major Issue

34000909B Johannesburg THE STAR in English
27 Nov 89 p 15

[Article by Norman Chandler: "Future of Walvis Bay Now on the Way to Boiling Point"]

[Text] Decisions taken decades ago are causing historians and surveyors to reach for their reference works as Namibia goes into the last lap towards independence.

They concern Walvis Bay, the Orange River border between South Africa and Namibia, and the status of 12 islands on the west coast.

South Africa claims Walvis Bay, the river and the islands.

A debate has started already, with Namibian president-designate Mr Sam Nujoma saying his country wants Walvis Bay, and South Africa saying there is little chance of it being ceded.

He hasn't said anything yet about the border or islands.

When, 115 years ago, the British declared Walvis Bay to be part of their territory—later annexing it to the Cape—they could hardly have visualised just how important to the future South Africa the small enclave would become.

Deep Anchorage

The 1,165 sq km territory of Walvis Bay is South Africa's most important possession on the south-west coast.

Its importance is that it is the only major port on the coast between Luanda and Cape Town; the only safe deepwater anchorage on a coast not renowned for being friendly to ships and seamen.

In a number of other aspects it is vital to South Africa.

The South African Navy regards it as a key part of Western defence strategy.

It is also a key fishing port, which has for years played host to foreign—including East Bloc—trawlers plying the rich fishing grounds off the coast.

This has resulted in huge amounts of foreign exchange through supplies and repairs to ships.

Successive South Africa Cabinet Ministers have spelt out the role envisaged for Walvis Bay, including former President Botha.

He said in 1982 that "Walvis Bay is irrevocably part of the Cape Province".

Mr Chris Heunis, then Minister of Constitutional Development and Planning, told Parliament a year later that Walvis Bay would continue to form part of South Africa under any new constitution.

New Constitutional Development Minister Mr Gene Louw said at Walvis Bay in August that "it is inseparably part of South Africa" and would remain so even though it was ringed by Namibian territory.

South Africa's attitude to Walvis Bay has been the same ever since it took on the League of Nations mandate in 1919 after World War I.

That war also gave the territory a little-known historical distinction as well: it is the only South African-owned land which has ever been occupied by a foreign power—German troops hoisted the flag there in 1915, but withdrew when General Jan Smuts's troops defeated the Kaiser's army.

The Orange River has historically been the official border between South Africa and Namibia—but unlike other international boundaries, the border line does not run down the centre of the river.

Instead, South Africa's border is on the northern bank of the Orange—that is, in Namibia.

Surveyor-General Mr Ernst Fitschen says this has been the case "ever since the treaty in 1919, and before...."

He said South Africa owned the river, and agreements covering this had been negotiated with the current Windhoek administration.

These agreements were among hundreds which are to be discussed between South Africa and the new government of Namibia before independence in April.

"There has always been a cordial relationship (with South West Africa) and there is no reason why this should not be the case in the future," said Mr Fitschen.

The west coast islands are like to be a sore point in relations between South Africa and the new Namibia, according to Pretoria sources.

They say that some of the islands are "incredibly strategic" even though at present they provide South Africa only with a rich source of guano.

Known collectively as the Penguin Islands, the dozen islands are in some cases right opposite the entrances to small harbours such as Luderitz.

Possession Island, in Elizabeth Bay, is probably the largest of the islands, which have been part of South Africa since before 1910.

There is no accurate record available on when the islands were first annexed, or by which country.

All the islands are south of 24 degree latitude. South Africa has no possessions along the Skeleton Coast—the 'ships' graveyard' north of Walvis Bay. [quotations as published]

* Country's Independence Aids Pretoria's Economy

34000910B Johannesburg THE STAR in English
24 Nov 89 p 9

[Article by Gerald l'Ange: "Millstone To Drop From SA's Neck"]

[Text] When Namibia becomes independent, probably early next year, it will drop from South Africa's neck like a millstone cut loose.

There will, of course, be some regrets in certain circles and perhaps some penalties to pay.

For instance, the white right wing in South Africa might still try to call the Government to account for selling out their Namibian kin to black majority rule, although this is already a waning issue.

But the gains far outweigh the losses.

And already it is becoming more difficult by the day to recall why Pretoria hung on to the territory for so long, paying so dearly through international condemnation and military costs. Historians in the future may find it even more difficult to understand.

What did these sacrifices achieve? A more efficient and experienced military force, to be sure, although one forged at high cost in taxpayers' money and sons' lives.

A bulwark against communist expansion? For a while, perhaps. The seriousness of that threat has long been open to question but those who proclaimed it can perhaps be given the benefit of the doubt without too much difficulty now that it has manifestly disappeared.

Swapo [South-West African People's Organization], having failed signally to win any victories in the war, may be said to have won the peace by gaining a big enough majority in the constituent assembly election to enable it to dictate the affairs of state after independence.

Some may claim that in the light of this the war was futile and the sacrifices in vain. Yet Swapo did not win an absolute majority and must collaborate with other parties in framing the constitution, which must incorporate the basic democratic principles enumerated by the Western powers in 1982.

So the election has resulted in Namibia becoming independent as a democratic state and it might be argued in Pretoria that this might not have come about had South African forces not fought in Namibia and Angola against Swapo insurgency backed by a Kremlin bent at one time on Soviet hegemony in southern Africa.

The historians will nevertheless not overlook the counter argument that none of this might have come about had Pretoria given independence to Namibia when its inhabitants started asking for it more than 30 years ago.

Whatever price South Africa or the National Party Government or both may have paid for giving up Namibia could become increasingly insignificant as the benefits come more discernible.

The most immediate of these is the credit South Africa has gained internationally for allowing Namibia to become independent and under a Swapo government at that.

For politicians in Washington and in the United Nations, Namibia, having won independence from South Africa, has lost its usefulness as a vehicle for the promotion of personal and sectional interests and the issue is already headed for the used bandwagon junkyard. As far as they are concerned Namibia can—and possibly will—now quietly become just another struggling Third World country.

If it has done nothing else the Namibia settlement has given an enormous boost to the principle of problems being solved through dialogue rather than violence and this can only help South Africa.

South Africa also stands to benefit financially from no longer having to subsidise the Namibian budget and finance a war.

A less tangible but potentially important benefit may come from Namibia becoming a kind of bridge between South Africa and black Africa. It could come about in this way:

Independent Namibia will have to rely for some time on South Africa not only for its harbours but for other services, ranging from air traffic controllers to medical personnel.

It would make good sense for Namibia to exchange trade commissioners with South Africa, as Mozambique and Zimbabwe have done, but even if it does not, South Africa is likely to have a much stronger official and unofficial presence in Namibia than in any other African country.

At the same time African and other countries and international organisation will establish representatives in Windhoek—or whatever else the capital may be called. There will thus be a greater potential for economic and diplomatic exchanges with black Africa than there is in any other African capital.

Namibia will, after all, change almost overnight from being a fifth province of South Africa to being a member of the Organisation of African Unity, the SADCC [South African Development Coordination Conference] and perhaps the Frontline grouping, and access to the European and Lome Convention markets.

And it may be the only country in the world today where black African diplomats will have to learn to speak Afrikaans to keep fully abreast of events. All of these advantages may be increased if Pretoria tries to stifle dispute over the control of Walvis Bay by making it an international port, as has recently been suggested. And most of them could be nullified if the Namibian government were to allow ANC [African National Congress] or PAC [Pan-Africanist Congress] insurgency into South Africa from its territory.

Blocking cross-border insurgency by the ANC has been South Africa's prime concern in its attitude to its neighbours and was one of the reasons for its continued presence in Namibia and its military ventures into Angola.

However, insurgency from Namibia is unlikely, given South Africa's transport stranglehold and the growing shift by the ANC, if not yet the PAC, toward negotiation.

*** SWAPO Assembly Chairman Reportedly Chosen**
34000910A Johannesburg THE STAR in English
21 Nov 89 p 11

[John Qwelane: "Swapo's Geingob Tipped as Chairman"]

[Text] Windhoek—The director of Swapo's [South-West African People's Organization] election machinery, Mr Hage Geingob, is expected to become chairman of Namibia's constituent assembly when it meets today to begin drafting a constitution.

Sources disclosed yesterday that Mr Geingob had been proposed as chairman of the assembly at a weekend meeting of Swapo's central committee in the city.

Seven of the country's 10 registered political parties will field 72 elected candidates for the assembly.

Ordinarily, the post of chairman, in terms of the legislation under which the assembly is being constituted, would go to Mr Sam Nujoma, Swapo leader, as head of the majority party. But the law gives a party leader the option of choosing someone else.

It appears unlikely the minority parties will challenge Mr Geingob's nomination as chairman but, if they do, Swapo can out-vote them. Any vote on the chairmanship of the house must be decided on the basis of a simple majority.

When the constitution is voted on in the assembly, a two-thirds majority is needed in order for it to be adopted. This vote will be by secret ballot and not by a show of hands. The proclamation demands all parties must, after the count, inspect the ballot papers.

On Friday, the Democratic Turnhalle Alliance and the other minority parties in the assembly held a meeting and decided to retain their identities while working together for the good of the new state.

Swapo, the majority party with 41 seats, did not win the 48 seats in the assembly which would have enabled it to dictate a constitution of its choice for Namibia. The party will now have to work with the minority parties to carry through its proposals.

Embody Principles

Swapo spokesmen have said they do not foresee any difficulties in getting their constitutional proposals passed by the assembly because these embody all the principles the other parties have said they would like to see entrenched.

Mr Hidipo Hamutenya, tipped to be Minister of Information in the new Swapo government, said after last week's elections the party already had a draft constitution which it would present to the assembly.

It contained a Bill of human rights, with all its basic freedoms, and entrenched a multi party political system. It endorsed an economic system based on a mixed economy and it provided for an independent judiciary, periodic elections and freedom of religion.

The Tintenpalast, the Windhoek seat of government, has been undergoing alterations in preparation for today's historic first meeting of the assembly.

*** Country Begins Work on New Government**
34000907B Johannesburg THE STAR in English
23 Nov 89 p 3

[Article by Sue Brown: "Weighing Up the Odds After the Elections"]

[Text] So it wasn't a landslide. But after a brief hesitation, Swapo [South-West African People's Organization] hailed the results: "The people voted for Swapo, there is victory," Sam Nujoma said.

Swapo supporters and organisers grew shellshocked during the long Monday when the election results across the country had the party first trailing, then neck and neck with the "puppet collaborator" DTA [Democratic

Turnhalle Alliance]: before the crucial Owamboland result, Swapo had 40 percent and DTA 38 percent of the vote.

When Owamboland, with over one-third of the electorate, boosted Swapo to 57 percent, there was a surge of jubilant relief.

Swapo now has 41 representatives, or 57 percent, of the seats in the 71-seat Constituent Assembly, which will meet for the first time on Tuesday next week—but already discreet contacts are being made.

The DTA has 21 seats, or 29 percent. Though it looked close for a while, it didn't make its objective of one-third. To its right, the action Christian National (ACN) has four, and the Rehoboth-based Federal Convention of Namibia (FCN) has one.

From the left to the centre are the United Democratic Front with four seats; and the Namibian National Front and Namibian Patriotic Front, each with one seat.

To pass a constitution and go on to form a government, two-thirds—48 votes—is needed. A veto one-third plus one is 25 seats. DTA plus ACN plus one other is a blocker. Swapo, plus the UDF and the three single-seat parties, makes two-thirds.

So the little parties are in a very powerful position—though if they overplay their hand, they will force Swapo into a deal with the DTA.

The idea sets Swapo leaders' teeth on edge but nothing is impossible here. Even before the election, Swapo and ACN met, though both vehemently denied discussing any deal.

What constitutional plan Swapo will put forward is an open question. Though the leadership is said to have at least two draft constitutions, when asked about them, Secretary for Publicity and Information Hidipo Hamutenya said: "We will put forward ideas to the Assembly. We have ideas, but no draft."

The party's position on key policy issues is vague, with different officials putting forward different positions. But for the foreseeable future it seems unlikely there will be a party congress to re-elect leadership and seek a mandate for policy.

Said Hamutenya: "For now we are going to deal with urgent matters, like passing a constitution and proceeding on to independence."

Asked how Swapo interpreted the pattern of voting, he said the leadership was working on an analysis.

Senior Swapo officebearers on local and regional levels are uneasy. One said flatly that the weakness of Swapo results in most areas across the country south of the red line was directly proportional to the number of returned, or unreturned, Swapo ex-detainees from those areas.

So too was the showing of the UDF, an alliance with includes a party formed by ex-detainees, though he estimates that at least as many votes went off to the DTA.

It is mainly, but not exclusively, local and regional officials, or the non-exile leadership, who are speaking privately about the need for a congress. The last one was in 1973.

Without policy guidelines from a congress, the issues may have to be fought out in the Constituent Assembly. All the parties say they want quick agreement and independence soon. But much depends on the balance of power within Swapo.

The Stalinists, dominant in exile for the last decade, seem to be declining in power, especially since their base in the Plan Security apparatus is neutralised for the moment. A progressive grouping, returned and local, may be gaining strength, but the situation is fluid.

* Country's First Parliament Sessions Convened

34000908A Johannesburg THE STAR in English
30 Nov 89 p 29

[Article by Brendan Seery: "Namibian MPs Feel Their Way"]

[Text] Windhoek—As the parliament of an African country which has just emerged from a bloody decolonisation struggle, Namibia's Constituent Assembly is remarkably staid.

The occasional African-print open-neck shirt of "Mao" jacket amid a sea of conservative, expensively-tailored suits in muted greys, charcoals and blues, points to the fact this is not Westminster.

Strict rules of procedure mean heckling is taboo, and that members must address each other formally with approved honorifics "The Honourable Member, Mr, Madame or Comrade".

In the high-ceilinged Landesrat (National Assembly) debating chamber that was built as part of the Tintenpalast (Palace of Ink) government building during the German colonial era, Namibia's 72 elected politicians gather to draft the country's first independence constitution.

The Landesrat—renovated some years ago at a cost of more than R2 million—is not a spacious room, although its height lends airiness and helps provide upstairs accommodation in two galleries for the public and press.

Assembly chairman Mr Hage Geingob, Swapo [South-West African People's Organization]'s election director, sits in a formal wooden chair behind a bench, flanked by the secretary to the assembly, Mr B. Botha and his assistant. The members sit in three rows of benches and chairs arranged in a horseshoe around the chairman's podium.

Swapo leader Mr Sam Nujoma occupies the closest seat on Mr Geingob's right. Next to him, in order of position on the candidate lists, follow the most senior of Swapo's 41 members, starting from vice-president the Rev Hendrik Witbooi, though veteran nationalist and secretary-general Mr Andimba Toivo ya Toivo, deputy chairman Mr David Meroro, and so on.

Soft Drinks

Mr Nujoma normally says little, save to share a few thoughts with Mr Witbooi. The Swapo president wears half-moon reading glasses as he makes notes during proceedings, while all of the top Swapo hierarchy have their own personal cans of soft drink brought in by a special assistant before the sessions begin.

Also in the front row, but on the opposite site of the horseshoe, sit the members of the DTA [Democratic Turnhalle Alliance], led by chairman Mr Dirk Mudge and vice-president Mr Mishake Muyongo.

Proceedings are usually formal, and governed by complex rule similar to those used in other parliaments and in the previous national assembly which sat in this same Landersrat.

Sessions normally begin with a prayer from the Chair followed by notices of motions or questions. Members often share pleasantries and jokes across party lines, both during and after the start of the session.

Yet there is still an underlying sense of tension, or perhaps nervousness. It is apparent immediately that the Swapo politicians—skilled as they may be in front of rally audiences—have yet to settle down in the somewhat stilted formality of the constituent assembly.

Speaking one's mind, losing one's temper or playing to the gallery will probably be frowned upon here.

Swapo is also slowly coming to realise that others in the house have years of just this type of experience, and that the old parliamentary warhorses of the DTA and the Action Christian National (the election front of the National Party of SWA [South-West Africa]) are quite capable of burying the Honourable Members in an avalanche of motions, questions, amendments and notes on points of order.

* Whites Oppose Reserved Legislative Seats

34000907A Johannesburg THE STAR in English
23 Nov 89 p 3

[Article by Patrick Laurence: "Namibia's Afrikaners Trek on Without Apartheid"]

[Text] The road to Namibian independence is littered with apartheid notions. They are jettisoned by Namibia's Afrikaners as encumbrances calculated to slow down the trek into the future.

Talk to Afrikaner notables, from Swapo [South-West African People's Organization]'s Daniel Botha to the

National Party's Jannie de Wet, and the response is the same: specially reserved seats for whites in the legislature, along the lines of the 20 seats for Zimbabwe's whites, are out.

So, too, by extension, are racially separate voting rolls, another of the once non-negotiable axioms in apartheid ideology.

Botha's views are a product of his political odyssey from a traditional Afrikaner home, where he was taught people of different races must be separated to stop them from tearing at one another's throats, to his position as one of Swapo's 41 deputies in Namibia's constituent assembly.

De Wet's are a little startling when one remembers he is still a senior member in the National Party of South West Africa and, with NP [National Party] chairman Eosie Pretorius, one of Namibia's two most senior spokesmen for conservative Afrikaners.

Once Namibia's premier apostle of apartheid, De Wet today relies on classically liberal ideas to defend Afrikaner interests.

A former MP [Member of Parliament] in South Africa's parliament, De Wet, who once carried the grandiose title in Namibia of Commissioner General for the Indigenous Peoples of South West Africa, is a staunch advocate of proportional representation, freedom of association and a Bill of Rights.

Universal adult suffrage and a single common roll are axioms in his political philosophy today. He seeks to temper them with a perfectable respectable liberal precept: proportional representation, a device which tends to favour smaller parties, irrespective of their ethnic or racial composition.

Subject only to that qualification, he says whites should exercise their right to freedom of association by organising politically to win seats in the legislature.

"Whites must stick together." He immediately adds a rider: "But they must make themselves acceptable to Africa.... We are part of Africa."

Implicit in his approach is the assumption that he as an Afrikaner is an African. One hears in it an echo of Daniel Botha's words: "By calling ourselves Afrikaners we linked our identity to the African continent. Now it is time that we go one step further and commit ourselves to the people of South Africa."

De Wet is convinced that his advice to Afrikaners to look after their own interests is acceptable to Africans of different colours and culture. They respect, he avers, men who say: "I am a man. I will protect by own interests first." [sentence as published]

Dirk Mudge and Eben van Zijl, who were once members of the NP with De Wet, have moved even further down the road from apartheid.

Mudge, who describes himself as a "Namibian nationalist", does not seek a special niche for whites in the legislature; he was the first member of the NP of SWA [South-West Africa]—which was once an autonomous part of the NP in South Africa—to realise that the name of game in Namibia was win enough black support to compete in a one man, one vote election against organisations with a deeper, more radical nationalist tradition.

Va Ziji, who today is a vice-chairman of the Namibian Patriotic Front, goes a step further than De Wet: he contends that white interests do not have to be represented by whites; blacks with similar values can do so as effectively.

Move further back chronologically along the road and, beyond the abandoned notion of separate voters rolls and reserved seats, lies another discarded apartheid concept: "black homelands".

Namibia's South African rulers tried to solve the "native problem" by establishing tribal territories. Somewhere on the road into the past lies the Odendaal report which provided a blueprint for the creation of a mosaic of partially autonomous territories.

The central objective of the Verwoerdian-inspired Odendaal report was to lead these territories to independence; Owamboland, with its large number of black people on the Angola border, was the centre piece of Odendaal's grand plan.

If Owamboland had been excised as an independent territory from South West Africa, as Namibia was called then, the black population would have been reduced by half.

To that end, an Owamboland Independence Party was nurtured by the authorities, a state of emergency declared in Owamboland to crush resistance from Swapo; tribal courts sentenced grow men who dared to raise their voices in protest to be publicly flogged on the bare buttocks.

It was to no avail. The bid to divide Namibia into tribal enclaves, and to excise the northern territories of Owamboland, Kavangoland, and East Caprivi from the south, was challenged and defeated Swapo; its commanders and commissars mustered their legions for struggle—political and military—with the battle cry: "One Namibia, one nation."

The bantustan notion was eventually ditched as ideological junk.

The legacy manifested itself in last week's United Nations-supervised election. Mudge's DTA [Democratic Turnhalle Alliance] was in the lead with results of 22 of the 23 electoral districts known and only one to go; then Owamboland, by far the biggest electoral divisions, came in, to ensure a Swapo triumph.

Looking back at the hard lessons learnt by Namibia's Afrikaners, one wonders whether they will be noted and pondered on by the neo-apartheid ideologues in South Africa's National Party.

Zimbabwe

* West 'Should' Seize European Opportunity

34000101C Bulawayo *THE CHRONICLE* in English
15 Nov 89 p 4

[Commentary: "A Brave, New World"]

[Text] Recent events in Eastern Europe have certainly put paid to whatever doubts those governments—within the United States and some of her Western allies in particular—had about Soviet leader, Cde Mikhail Gorbachev's idea of a different world.

All said and done, Cde Gorbachev's vision, particularly as far as Eastern Europe and the Soviet Union are concerned, is fact becoming a reality. It is history in the making.

When he first spoke of new thinking in foreign policy, many in the West—especially the United States—doubted Cde Gorbachev's sincerity.

At the end of last year, in a speech to the United Nations, the Soviet leader spoke of "freedom of choice being a universal principle" but the doubts still lingered.

Now, however, with Cde Gorbachev more concerned about improving the lot of his own countrymen rather than keeping the so-called Eastern Bloc countries under Soviet subjugation, there can be little doubt that not only has Glasnost kindled the embers of a new order in that part of the world but also ensured the Soviet leader a place in the history books—and not in the same light as his predecessors.

What was once unimaginable is now becoming a reality. The whole face of Europe is being redrawn and 1989 will long be remembered for this.

Last week saw yet another event that reflected the upheavals of this watershed year—the Wall of Berlin came tumbling down.

In Budapest recently, the acting president of Hungary declared the People's Republic of Hungary dead. Now it is the Republic of Hungary, an independent state which plans to hold multi-party elections.

Then, the Soviet Foreign Minister, Cde Eduard Shevardnadze, told Moscow's new parliament that the 1979 invasion of Afghanistan had "blatantly violated the law", raising hopes that similar "invasions" as those of Hungary in 1956 and Czechoslovakia in 1968 would not recur.

Earlier in the year Poland voted in its first non-communist government since World War Two.

There are other events too numerous to mention; but the bottomline is that the West must stop being pessimistic and seize the opportunity to create a brave, new world.

Granting all those countries making sincere efforts at reforms favourable trading terms would be a major step towards melting the ice of a Cold War that has for too long divided the world.

The West has a chance of participating in what President George Bush of the United States termed "a very special moment in human history".

They should not bungle it!

*** Joshua Nkomo, Others Form Development Trust**

34000101A Harare *THE HERALD in English*
31 Oct 89 p 1

[Text] A group of politicians and businessmen have joined forces to create a multi-million dollar independent development trust to help young people become involved in Zimbabwe's development.

Officially launched in Harare yesterday by Senior Minister Dr Joshua Nkomo, the Development Trust of Zimbabwe has already bought the 348,862ha Nuanetsi Ranch in Mwenezi for an undisclosed sum. The ranch covers almost 1 percent of Zimbabwe.

Dr Nkomo, who is chairman of the trust, said the aim would be to develop the full potential of the ranch. Irrigation, game ranching and possibly further cane production would be introduced to provide income for the trust and, as the ranch grew, jobs for young people.

But the trust also had plans to branch out into projects in industry, commerce, mining and other fields, either on its own or in joint venture with local and foreign investors, he said.

It will be totally independent of the Government and will raise funds from private sources.

Although only officially launched yesterday, the concept of the trust—which Dr Nkomo describes as belonging to all the people of Zimbabwe—emerged earlier this year.

As from October 1, however, it has had its first board of trustees made up of Dr Nkomo, Vice-President Muzenda (non-executive), Dr Liberty Mhlanga (vice-chairman), Cde George Nyandoro, Mr David Smith, Cde Dzikamai Mavhaire, Cde Dumiso Dabengwa, Cde Micah Bhebe and Cde Manikidza Nyoni.

The former Deputy Secretary (administration and finance) for Health, Cde Simon Moyo, has been appointed head of corporate affairs.

Despite persistent questioning by reporters at his news conference to launch the trust, Dr Nkomo would not disclose how much the trust had already raised, how

much it had paid for the Nuanetsi Ranch or how much it planned to raise in the future.

But, he said, the trust had already gained the confidence of enough people to provide it with the funds needed to buy the Nuanetsi Ranch and start considering other projects. It is roughly estimated in some circles that the ranch cost between \$14 million and \$25 million.

The board of trustees, who would not be paid for their services, would continue looking for other sources of support. Dr Nkomo said he hoped that all local and foreign investors with the future of the country's young people at heart would support the trust.

Apart from becoming involved in the productive sectors, the trust's aims include: providing bursaries, donations and grants; building houses, shops and workshops for young people; financing the machinery required by young entrepreneurs who are starting out; becoming involved in importing and exporting; entering the money market; and attracting both local and foreign investment.

*** Women's League Not Satisfied With Progress**

34000101B Harare *THE SUNDAY MAIL in English*
5 Nov 89 p 1

[Excerpt] The united Zanu (PF) [Zimbabwe African National Union Patriotic Front] Women's League is not satisfied with the present representation of women in Parliament and Government, the league's secretary, Cde Joyce Mujuru, said yesterday.

Presenting a joint report of the former women's leagues of Zanu (PF) and PF Zapu [Patriotic Front-Zimbabwe African People's Union], Cde Mujuru said upon close reflection women are still politically under-represented in almost all decision-making bodies throughout the country.

She said out of the 100 members of the House of Assembly only nine were women, compared to the 91 men. In the 40-member Senate there were only two women.

"The state of affairs, comrades, tells a sad story considering that women are highly active as Women's League members within the party apparatus. From the figures, women have neither the voice nor vote since they are outnumbered by sheer numbers," she said.

This was despite that women had played a leading role in the struggle for independence. Women also constituted more than 57 percent of Zimbabwe's population and thus voted the party into power.

"Now is the time for you as leaders of the women in the provinces to ensure that women are fully and effectively represented at all levels of decision-making," she said.

She, however, noted that Government had taken commendable steps towards uplifting the standards of living of women and giving them rights equal to those of men.

The Government had introduced laws aimed at making life for women easier than it had been during the colonial era. These included the Matrimonial Causes Act of 1985, which for the first time in Zimbabwean history, recognised the indirect and direct contribution of a woman to family wealth.

The Act allows courts to distribute marital property between divorcing spouses in both civil and registered customary marriages. The Government had also passed the legal Age of Majority Act in 1982 which enabled both men and women to attain adult status on reaching the age of 18. This had, however, been of greater benefit to women.

There was also the Maintenance Amendment Act of 1987 which empowered the courts to have access to incomes such as pensions, gratuities and other allowances accruing to a responsible person in a maintenance case.

Other enactments such as the Labour Relations Act of 1985 and the introduction of separate taxation for men and women had also helped improve the standard of living for women. She reaffirmed the Women's League's support for President Mugabe and the party. She said women, as they had done in the past 10 years, would remain unwavering in their support for Zanu (PF). [passage omitted]

* Matabele North Becomes Two Provinces

34000101D Harare THE HERALD in English
17 Nov 89 p 1

[Text] Matabeleland North has been divided into two political provinces, a statement from the Ministry of Political Affairs in Harare said last night.

Bulawayo Urban will be one province with Matabeleland North comprising the administrative districts of Bubi, Binga, Hwange, Nkayi, Tsholotsho and Lupane the other. Accordingly, the national integration task force has decided to hold the provincial conference for Matabeleland North on November 25 in Lupane.

Verification of party members will be on November 20 at the district administrators' offices. All task force members have been asked to bring the necessary documents to their district administrators' offices.

Delegates from the six districts are to travel to Lupane on November 24 with registration starting at 9 am.

Districts with more than 5,000 members will have 27 delegates, those with 4,000 to 5,000 will have 24 delegates. Districts with between 3,000 and 4,000 members will have 21 delegates and those with up to 3,000 will have 15 while those with 1,000 to 2,000 will have nine delegates.

The statement said representation within a political district had to be equal for main, youth and women wings.

* 1989 Growth Might Not Exceed 3.5 Percent

34000100A Harare THE SUNDAY MAIL in English
19 Nov 89 p 11

[Text] As 1989 draws to a close, economic growth in Zimbabwe seems unlikely to exceed 3.5 percent—a slowdown many believe can only be corrected by a mixture of good rains and increased foreign exchange allocations.

The rains, as always, remain beyond our control but the dreaded "forex" problem is, as indicated this week by the Senior Minister of Finance, Economic Planning and Development, Dr Bernard Chidzero, receiving close Government attention with a possible solution in sight next year.

The content and scope of the proposed trade liberalisation programme aimed at easing the foreign exchange problem has aroused much debate over the last year, but there is now little doubt that Zimbabwe's productive sectors need it badly to replace ageing plant and equipment and ensure a steady supply of raw materials to ensure constant output.

It is only in this way that they will be able to re-equip, become more competitive both at home and abroad and then start making a positive contribution to solving the stop-start growth/low employment creation conundrum that has faced us for so long.

All this emerges clearly from Zimbabank's latest economic review, contained in its annual report released this week, which warns that the growth oriented investment drive launched this year depends crucially on increased foreign exchange allocations for the productive sectors.

"If these can be made available without detriment to established businesses, a locally-led investment drive could get under way and provide stimulus to foreign investment, the so far missing element required for sustained economic growth," said the report.

"Such foreign investment would be particularly beneficial into the expansion of processed exports. This would reduce the country's vulnerability to fluctuations in climatic conditions at home and commodity prices abroad. It would also make possible an increase in import allocations across-the-board."

If investment could get under way in a meaningful way next year, and provided that commodity prices remained relatively firm, Zimbabwe's real growth rates in the early 1990s should move up again towards the strong growth of between 5 to 6 percent achieved last year—depending, of course, on the weather.

"Some progress could also start to be made in coping with the biggest challenge facing the economy—making

in-roads into the pool of unemployed now estimated to be around one million persons," said Zimbank.

Another important factor in this growth, however, will be inflation. This will be tricky to control and the Reserve Bank has already indicated, through its announcement of pending changes in interest rates, that it is considering the best course open to the authorities.

As the Zimbank report explains, we are now going through a mixture of both cost-pushed and demand-pull inflation.

"So far this year there have been officially-sanctioned price increases of from 10 percent to 32 percent on a wide range of basic consumer goods as production costs have continued to increase," it said.

"Average consumer prices in the first eight months of the current year were between three and five percentage points higher than in the corresponding period of 1988. The rise in lower income urban family consumer prices has been particularly marked. By early 1990, consumer prices are likely to be rising at a year-on-year rate of around 14 percent.

"Private consumption spending is certain to have accelerated markedly following the moderate agricultural season, higher crop prices, mid-year wage increases and the 1989 national Budget's tax concessions. The increase in disposable incomes is thus adding demand to already existing cost pressures."

There is no doubt that the prices of a wide range of goods will have to be increased if their producers are to stay in business while in the short term the tax-free bonuses will boost demand.

How these competing forces will be managed remains to be seen, but there is no doubt that it will require some deft footwork to ensure that the investment and growth drive is not undercut by unsustainable inflation.

* Coal Shortage Forces Factory Closings

34000100B Harare THE HERALD in English
16 Nov 89 p 1

[Text] Chronic coal shortages, because of the worsening transport crisis, this week forced Olivine Industries to close its factories.

Managing director Mr Rory Beattie yesterday said the company closed its soap and oil factories on Monday, and there was little chance of them opening this week.

"The situation is serious. At the moment, 1,500 employees are not doing anything because of the coal shortage. We are losing a substantial amount of money every day," he said.

Although the company had been in touch with National Railways of Zimbabwe [NRZ] officials and Government officials, this had been to no avail.

The company was now using road transport to augment coal supplies. However, because the costs were much higher than for rail transport, only a limited supply was being driven in.

He was concerned that things had worsened when Christmas was around the corner and did not think the situation could improve until about April next year.

Olivine Industries is a major manufacturer of cooking oil, margarines, soaps, glycerine, soya-bean, cottonseed and sunflower meals. It is 49 percent owned by Government and 51 percent by Heinz Corporation of United States.

Although the coal shortage has been experienced for quite some time now, owing to the current transport crisis, the situation has become desperate in the last few weeks.

Many companies have reported that they are threatened with closure. The NRZ has not been able to cope with demand for its services of late.

The Secretary for Transport, Cde July Moyo, this week said the Government was bringing in a foreign rail expert to help NRZ become more efficient.

* Strategy for Steel Industry Outlined

34000100C Harare THE FINANCIAL GAZETTE
in English 10 Nov 89 p 5

[Excerpts] If Zisco [Zimbabwe Steel Company] were to implement its \$1.2 billion rehabilitation programme within the next five years, it could reach a break-even point after 1995/96 and pay back the investment, including interest and accumulated losses, around the year 2006.

Mr Rene Wirion, the managing director, said in an interview with the GAZETTE that this was the conclusion of a Chinese master plan on the rehabilitation, which was submitted to the Zimbabwe Government in August this year.

A market study has already recommended that Zisco should manufacture flat products, saving this country over \$100m in forex a year. At least 70 percent of the production would be for the domestic market.

The time-table proposed by the Chinese experts would only be achieved provided the government financially supported the investment of the rehabilitation programme, because Zisco had no funds, and also make decision on time, so that the programme is implemented on schedule.

According to Mr Wirion, bureaucratic delays had affected the rehabilitation of Zisco, and it was not behind by about six months.

He said the plan recommended that the rehabilitation be implemented within the next five years, or it would be

too late and more expensive. There has been no major investment of this type at Zisco during the past two decades. [passage omitted]

Basically, the rehabilitation had two main thrusts: to ensure the survival and efficiency of Zisco.

The company's survival depended on the full-scale development of the Ripple Creek Iron Ore Mine (about 25km from Zisco), to supplement the present ore deposits at Buchwa, about 200km from the steelworks.

It was conservatively estimated that deposits at Buchwa would be economically exhausted in the next five years, and the development of Ripple Creek had to start soon, he said.

A sophisticated sinter plant would be commissioned to sinter the friable ore that would be mined at the new mine. That investment is estimated to cost more than \$150m.

He said efficiency at Zisco would be achieved by improving the quality of the product range, and a team of United Nations (Unido) [United Nations Industrial Development Organization] experts was currently assisting Zisco on a quality improvement programme.

Mr. Wirion said the market study completed last year clearly stated that to make Zisco viable, it was essential that it manufactured flat products and replace imports.

At present, Zisco was losing money exporting semi-finished steel billets, although shop-floor production was one of the cheapest in the world.

One of the main reasons was that the company had to pay more than \$45m in port and freight charges a year, which it would never recover by increasing production or cutting costs, he said.

"So, we have to turn more to the domestic market and that means supplying nearly 100 percent of the flat products required in Zimbabwe and the PTA [Preferential Trade Area]," said Mr. Wirion.

Zisco has made a down-payment on the flat plate hot and the cold rolling mills, being bought from Swedish Steel (SSAB). The two mills should be in place by 1992.

The hot rolling mill would have an initial capacity of 200,000 tonnes a year, of which 100,000 tonnes would be for the domestic market, with the remainder exported to the PTA and Sadcc [Southern African Development Coordination Conference] regions.

The commissioning of the mills, an investment of more than \$400m, would create at least 900 new jobs.

During the production process of flat products, steel slabs of 1.5m by 200mm would be fed into the hot rolling mill, where the width would be reduced to 16mm and then to 2mm. The cold rolling mill would further reduce this to either 0.3mm or 0.4mm.

Cold rolled steel was of better quality, was thinner and brighter than hot rolled steel. Cold rolled products would be galvanised and corrugated for roofs and other purposes.

He said a Canadian consultancy firm would later this year investigate and report to Zisco on the possibility of erecting a steel service centre. It would, among other things, slit, cut, corrugate and bend the flat products.

The steel plant would be refurbished as it was one of the oldest at Zisco, said Mr Wirion.

The rehabilitation programme at Zisco would create other down-stream projects and industries. For example, a chemical processing plant would be built at a cost of more than \$60m.

* Gold Sales Higher Than in 1988 Period

34000100D Harare THE FINANCIAL GAZETTE
in English 3 Nov 89 p 1

[Text] Gold sales during the first eight months of 1989 reached \$292.7m, an increase in sales of \$87.3m (42.5 percent) over the corresponding period last year.

According to the Chamber of Mines Journal, total sales for the year are expected to reach around \$400m, but production is expected to remain at 15 tonnes. In 1988, gold exports earned Zimbabwe \$381.1 in foreign exchange, representing 26 percent of total mineral sales.

The price of gold, in Zimbabwe dollar terms, has not changed significantly over the past 18 months. Last year the average price of gold per fine ounce was \$789.4, while in the eight months to August this year, gold averaged \$778.01 an ounce.

* Permission Given for Some Cattle Sales

34000100E Harare THE HERALD in English
17 Nov 89 p 10

[Text] Two months have elapsed with no outbreak of foot-and-mouth disease reported in any part of Zimbabwe.

"There has been no new infection since early September; everything has been clear and seems to be well under control," said Mr Paul d'Hotman, the production executive of the Cattle Producers' Association.

Mr d'Hotman also said because of the favourable situation, the Department of Veterinary Services had given the green light for certain cattle sales to resume from the beginning of this month. He said sales had been allowed to resume mainly in areas that had not been affected by the 1989 outbreak. The areas were Karoi, Lions Den, Headlands and Marondera.

"Sales have been resumed on a fairly localised basis."

Re-vaccination of cattle on previously infected properties and surrounding properties had been completed.

The Director of Veterinary Services, Dr Stuart Hargreaves, said that his department was on top of the outbreak.

The first foot-and-mouth outbreak occurred in May and was the worst in 20 years. The Department of Veterinary Services' efforts were hampered by lack of discipline among cattle farmers who sometimes let their animals roam along roads and railway lines or stray into other people's properties, and also poaching.

At the end of September, the department introduced a new vaccine effective against all the three strains of the

foot-and-mouth virus found in Southern Africa. The three strains are Southern Africa Territories 1, 2 and 3 types.

To enable the department to move swiftly to control the outbreaks, an order was gazetted by the Government which declared all districts, except five in Manicaland, foot-and-mouth areas. The order gave the Veterinary Services Department flexibility to control cattle movements and force owners to have livestock vaccinated.

The department used more than four million dosages during the 1989 outbreak.

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